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Senate Bill No. 91

CHAPTER 2

An act to amend Sections 789.4, 1942.5, and 3273.1 of, to add Sections 1785.20.4, 1788.66, and 1942.9 to, and to add and repeal Section 1788.65 of, the Civil Code, to amend Sections 116.223, 1161.2, 1161.2.5, 1179.01, 1179.02, 1179.03, 1179.03.5, 1179.04, 1179.05, and 1179.07 of, to amend the heading of Chapter 5 (commencing with Section 1179.01) of Title 3 of Part 3 of, to add Section 1179.04.5 to, and to add and repeal Chapter 11 (commencing with Section 871.10) of Title 10 of Part of, the Code of Civil Procedure, to amend Section 925.6 of the Government Code, and to add Chapter 17 (commencing with Section 50897) to Part 2 of Division 31 of the Health and Safety Code, relating to tenancy, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor January 29, 2021. Filed with Secretary of State January 29, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

SB 91, Committee on Budget and Fiscal Review. COVID-19 relief: tenancy: federal rental assistance.

(1) Existing law prohibits a landlord from interrupting or terminating utility service furnished to a tenant with the intent to terminate the occupancy of the tenant, and imposes specified penalties on a landlord who violates that prohibition. Existing law, until February 1, 2021, imposes additional damages in an amount of at least $1,000, but not more than $2,500, on a landlord that violates that prohibition, if the tenant has provided a declaration of COVID-19 financial distress, as specified.

This bill would extend the imposition of those additional damages from February 1, 2021, to July 1, 2021.

(2) Existing law, the Consumer Credit Reporting Agencies Act, provides for the regulation of consumer credit reporting agencies that collect credit-related information on consumers and report this information to subscribers and of persons who furnish that information to consumer credit reporting agencies, as provided.

This bill would prohibit a housing provider, tenant screening company, or other entity that evaluates tenants on behalf of a housing provider from using an alleged COVID-19 rental debt, as defined, as a negative factor for the purpose of evaluating a prospective housing application or as the basis for refusing to rent a dwelling unit to an otherwise qualified prospective tenant.

(3) Existing law regulates the activities of a person or entity that has bought charged-off consumer debt, as defined, for collection purposes and the circumstances pursuant to which the person may bring suit.

This bill, until July 1, 2021, would prohibit a person from selling or assigning unpaid COVID-19 rental debt, as defined, for the time period between March 1, 2020, and June 30, 2021. The bill would also prohibit a person from selling or assigning unpaid COVID-19 rental debt, as defined, for that same time period of any person who would have qualified for rental assistance funding, provided pursuant to specified federal law, where the person's household income is at or below 80% of the area median income for the 2020 calendar year.

(4) Existing law, until February 1, 2021, prohibits a landlord from bringing an action for unlawful detainer based on a cause of action other than nonpayment of COVID-19 rental debt, as defined, for the purpose of retaliating against the lessee because the lessee has COVID-19 rental debt.

This bill would extend this prohibition from February 1, 2021, to July 1, 2021. This bill would also prohibit a landlord, with respect to a

tenant who has COVID-19 rental debt, as defined, and has submitted a specified declaration, from (A) charging or attempting to collect fees assessed for the late payment of COVID-19 rental debt or (B) increasing fees charged to a tenant or charging the tenant fees for services previously provided by the landlord without charge. The bill would also provide that a landlord who temporarily reduces or makes unavailable a service or amenity as the result of compliance with federal, state, or local public health orders or guidelines would not be deemed to have violated the rental or lease agreement, or to have provided different terms or conditions of tenancy or reduced services, as provided.

(5) Existing law, the COVID-19 Small Landlord and Homeowner Relief Act of 2020, among other things, requires that a mortgage servicer, as defined, that denies a forbearance request during the effective time period provide specified written notice to the borrower, as defined, that sets forth the specific reason or reasons that forbearance was not provided if certain conditions are met. Existing law defines the "effective time period" for these purposes as the period between the operational date of that act and April 1, 2021.

This bill would, instead, define "effective time period" for these purposes as the period between the operational date of the COVID-19 Small Landlord and Homeowner Relief Act of 2020 and September 1, 2021, thereby extending the duty of a mortgage servicer to provide written notice if the mortgage servicer denies a forbearance request.

(6) Existing law, until February 1, 2025, provides that a small claims court has jurisdiction in any action for recovery of COVID-19 rental debt, as defined, regardless of the amount demanded. Existing law prohibits the commencement of an action to recover COVID-19 rental debt brought under these provisions before March 1, 2021.

This bill would extend these provisions from February 1, 2025, to July 1, 2025. The bill would also extend the above-described prohibition on commencing an action in small claims court to recover COVID-19 rental debt to August 1, 2021.

(7) Existing law provides for civil actions for the enforcement or protection of private rights or prevention of private wrongs. If in an unlawful detainer action the verdict of the jury or the findings of the court, as applicable, are in favor of the plaintiff, existing law requires that judgment be entered for possession of the premises, which is enforceable by a writ of possession of real property issued under specified law. Under existing law, the jury or the court, as applicable, may also award damages to the plaintiff in an unlawful detainer action, including damages for unpaid rent if the alleged unlawful detainer is based on the default in payment of rent.

This bill, until July 1, 2027, and with specified exceptions, would require a plaintiff in an action seeking recovery of COVID-19 rental debt, as defined, to attach to the complaint documentation showing that the plaintiff has made a good faith effort to investigate whether governmental rental assistance is available to the tenant, seek governmental rental assistance for the tenant, or cooperate with the tenant's efforts to obtain rental assistance from any governmental entity or other third party, as provided. The bill would authorize the court to reduce the damages awarded for any amount of COVID-19 rental debt sought if the court determines that the landlord refused to obtain state rental assistance as provided by this bill, as described below, where the tenant met the eligibility requirements and funding was available. The bill would prohibit commencement of an action to recover COVID-19 rental debt subject to these provisions until July 1, 2021, and require that the court stay proceedings in any such action pending as of the operative date of this bill until that date.

The bill, until July 1, 2025, would prohibit a court from awarding attorneys' fees that exceed specified amounts, which vary based on whether the matter is contested or uncontested, in any action to recover COVID-19 rental debt, as defined, brought as a limited or unlimited civil case under normal circumstances, determined as provided.

(8) Under existing law, in certain actions involving the possession of real property, including unlawful detainer actions, the clerk is authorized to allow access to limited civil case records only to certain persons. Under existing law, the clerk may allow access to these records to any person (A) by order of the court, if judgment is entered for the plaintiff after trial more than 60 days after filing the complaint, or (B) 60 days after the complaint has been filed, if the plaintiff prevails in the action within 60 days of filing the complaint. Until February 1, 2021, these provisions allowing access to court records to any person do not apply if the plaintiff filed the action between March 4, 2020, and January 31, 2021, and the action is based on the alleged default in the payment of rent.

This bill would extend this limitation on the access to court records from February 1, 2021, to July 1, 2021. The bill would revise this limitation to, instead, include actions filed between March 4, 2020, and June 30, 2021, based on the alleged default in the payment of rent.

Subject to the above-described provisions, until February 1, 2021, existing law authorizes the clerk to allow access to civil case records for actions seeking recovery of COVID-19 rental debt, as that term is defined, only to certain persons.

This bill would extend this provision from February 1, 2021, to July 1, 2021.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(9) Existing law, the COVID-19 Tenant Relief Act of 2020, establishes certain procedural requirements and limitations on evictions for nonpayment of rent due to COVID-19 rental debt, as defined. Existing law, among other things, prohibits a tenant that delivers a declaration, under penalty of perjury, of COVID-19-related financial distress from being deemed in default with regard to the COVID-19 rental debt, as specified. Existing law defines COVID-19 rental debt as unpaid rent or any other unpaid financial obligation of a tenant that came due

between March 1, 2020, and January 31, 2021. Existing law repeals those provisions on February 1, 2025.

This bill would recast these provisions as the COVID-19 Tenant Relief Act and extend the February 1, 2025, repeal date to July 1, 2025. The bill would instead define "COVID-19 rental debt" as unpaid rent or other unpaid financial obligation of a tenant that came due between March 1, 2020, and June 30, 2021. The bill would make various conforming changes to align with these extended dates. By extending operation of those provisions, the bill would expand the scope of the crime of perjury and thereby impose a state-mandated local program. This bill, for the duration of any tenancy that existed between March 1, 2020, and June 30, 2021, would prohibit a landlord from applying a security deposit to satisfy COVID-19 rental debt, or applying a monthly rent payment to any COVID-19 rental debt other than the prospective month's rent, unless the tenant agrees in writing to allow the landlord to apply that security deposit or monthly rent payment in that manner.

Existing law requires that a notice that demands payment of COVID-19 rental debt served pursuant to specified law be modified, as provided. Existing law requires that notices provided between September 1, 2020, and January 31, 2021, comply with certain requirements, including that the notice include specified text. Existing law requires the Department of Real Estate to make available an official translation of that text by no later than September 15, 2020.

This bill would extend operation of these requirements from January 31, 2021, to June 30, 2021. The bill, for notices provided on or after February 1, 2021, would revise the content of the text required to be included in the notice. The bill would also extend the duty of the Department of Real Estate to make available an official translation of that text to February 15, 2021.

Existing law, on or before September 30, 2020, requires a landlord to provide a specified notice to tenants who, as of September 1, 2020, have not paid one or more rental payments that came due between March 1, 2020, and January 31, 2021.

This bill, on or before February 28, 2021, would require a landlord to provide an additional notice to tenants who, as of February 1, 2021, have not paid one or more rental payments that came due between March 1, 2020, and June 30, 2021. The bill would prohibit a landlord from serving specified notices demanding payment of rent until the landlord has provided this notice.

(10) Existing law establishes the Department of Housing and Community Development (HCD) and requires it to administer various housing programs. Existing law provides for rental assistance under several of those programs, including, among others, the California Emergency Solutions and Housing Program, the Emergency Housing and Assistance Program, and the Housing for a Healthy California Program. Existing federal law appropriates $25,000,000,000 for fiscal year 2021-22, to be allocated by the Secretary of the Treasury to states, local governments, and certain Indian tribes and used to provide financial assistance and housing stability services to eligible households, as provided. Existing federal law requires that 90% of the funds received by a grantee under these provisions be used to provide financial assistance to eligible households, including the payment of rent, rental arrears, utilities and home energy costs and arrears, and other expenses related to housing incurred due, directly or indirectly, to the COVID-19 outbreak.

This bill would establish a program for providing rental assistance, using funding made available pursuant to the above-described federal law, administered by HCD. In this regard, the bill would appropriate $1,500,000,000 from the federal Trust Fund to HCD for these purposes, permitting up to 10% of these funds to be used for administrative costs. The bill would specify eligible uses of funds allocated to grantees under these provisions, consistent with the above-described federal requirements. The bill would provide that assistance provided to an eligible household under these provisions would be deemed to be a "source of income" for purposes of the housing discrimination protections provided under the California Fair Employment and Housing Act, but would otherwise not be deemed to be income for purposes of the Personal Income Tax Law or used to determine the eligibility of an eligible household, or member or an eligible household, for any state program or local program financed wholly or in part by state funds. The bill would authorize HCD to adopt, amend, and repeal rules, guidelines, or procedures to implement these provisions and exempt those rules, guidelines, and procedures from the rulemaking provisions of the Administrative Procedure Act.

This bill would provide for the allocation of block grant funds to localities, as defined, that meet certain population requirements. The bill would require an eligible grantee under these provisions to request that allocation from HCD by February 12, 2021, and require HCD to complete the initial allocation of these funds no later than February 19, 2021. The bill would further require the grantee to contractually obligate 65% of those funds by June 1, 2021, and to expend the full amount of that allocation by August 1, 2021. If the grantee does not contractually obligate or expend the required amount of allocation by those dates, the bill would require the grantee to repay any unused amount of block grant funds and would require HCD to reallocate those funds, as provided.

This bill would also provide for the allocation of funds to counties with a population less than or equal to 200,000 and to localities that were eligible for, but did not receive, a direct allocation of assistance under the above-described federal law, or that were eligible for, but did not receive, block grant funds from HCD under this bill's provisions. The bill would authorize a federally recognized tribe, as defined, that receives rental assistance funds under the above-described federal law to add that direct allocation to the funds administered by HCD, as provided. The bill would authorize HCD to contract with a vendor to serve as program implementer, in accordance with specified requirements, to manage and fund services and distribute emergency rental assistance resources, as provided. The bill would require an eligible grantee to contractually obligate those funds by July 31, 2021, and would, except with respect to any funds administered on behalf of a federally recognized tribe, authorize HCD to reallocate funds not contractually obligated by that date to other grantees that meet certain requirements.

This bill, in any legal action to recover rent or other financial obligations under a lease that accrued between April 1, 2020, and June 30, 2021, would require, before any entry of judgment in the plaintiff's favor, that the plaintiff verify certain information, under penalty of perjury,

relating to state rental assistance. The bill, in any unlawful detainer action seeking possession of residential rental property based on nonpayment of rent or any other financial obligation under the lease, would similarly prohibit the court from entering judgment in favor of the landlord unless the landlord verifies certain information, under penalty of perjury, relating to state rental assistance. By expanding the scope of the crime of perjury, the bill would impose a state-local program.

This bill would require each grantee to provide HCD information relating to all applicable performance metrics. The bill would provide that funds provided are subject to the same reporting and verification requirements specified in the above-described federal law and, in addition, require the grantee to provide any other information HCD deems necessary for these purposes. The bill would require that a grantee ensure, to the extent feasible, that any assistance provided to an eligible household is not duplicative of any other state-funded assistance provided to that eligible household. The bill would require HCD to submit a monthly report to the Joint Legislative Budget Committee, containing specified information, for the duration of the rental assistance program.

(11) Existing law, the Government Claims Act, generally requires the presentation of all claims for money or damages against local public entities. Existing law provides for the presentation of a claim for which appropriations have been made, or for which state funds are available, under that act to the Controller, in the form and manner prescribed by the general rules and regulations adopted by the Department of General Services. Existing law, with specified exceptions, prohibits the Controller from drawing a warrant for any claim until it has been audited in conformity with law and the general rules and regulations adopted by the Department of General Services governing the presentation and audit of claims.

This bill, notwithstanding this limitation, would require the Controller to draw a warrant for any claim submitted by HCD to advance the payment of funds to a vendor selected to serve as program implementer for purposes of the above-described rental assistance program. The bill would require the vendor to serve as the fiscal agent on behalf of HCD and be responsible for maintaining all records of claims for audit purposes. The bill would specify that these provisions would remain operative so long as funds are made available pursuant to the above-described rental assistance program or as otherwise provided under federal law.

(12) This bill would declare that its provisions are severable.

(13) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(14) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote Required: MAJORITY Appropriation: YES Fiscal Committee: YES Local Program: YES Immediate Effect YES Urgency: NO Tax Levy: NO Election: NO Usual Current Expenses: NO Budget Bill: NO Prop 25 Trailer Bill: YES

The people of the State of California do enact as follows:

SECTION 1. Section 789.4 of the Civil Code is amended to read:

789.4. (a) In addition to the damages provided in subdivision (c) of Section 789.3 of the Civil Code, a landlord who violates Section 789.3 of the Civil Code, if the tenant has provided a declaration of COVID-19 financial distress pursuant to Section 1179.03 of the Code of Civil Procedure, shall be liable for damages in an amount that is at least one thousand dollars ($1,000) but not more than two thousand five hundred dollars ($2,500), as determined by the trier of fact.

(b) This section shall remain in effect until July 1, 2021, and as of that date is repealed.

SEC. 2. Section 1785.20.4 is added to the Civil Code, to read:

1785.20.4. A housing provider, tenant screening company, or other entity that evaluates tenants on behalf of a housing provider shall not use an alleged COVID-19 rental debt, as that term is defined in Section 1179.02, as a negative factor for the purpose of evaluating a prospective housing application or as the basis for refusing to rent a dwelling unit to an otherwise qualified prospective tenant.

SEC. 3. Section 1788.65 is added to the Civil Code, to read:

1788.65. (a) Notwithstanding any other law, no person shall sell or assign any unpaid COVID-19 rental debt, as that term is defined in Section 1179.02, for the time period between March 1, 2020, and June 30, 2021.

(b) This section shall remain in effect until July 1, 2021, and as of that date is repealed.

SEC. 4. Section 1788.66 is added to the Civil Code, to read:

1788.66. Notwithstanding any other law, no person shall sell or assign any unpaid COVID-19 rental debt, as that term is defined in Section 1179.02, for the time period between March 1, 2020, and June 30, 2021, of any person who would have qualified for rental assistance funding provided by the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), where the person's household income is at or below 80 percent of the area median income for the 2020 calendar year.

SEC. 5. Section 1942.5 of the Civil Code, as amended by Section 6 of Chapter 37 of the Statutes of 2020, is amended to read:

1942.5. (a) If the lessor retaliates against the lessee because of the exercise by the lessee of the lessee's rights under this chapter or because of the lessee's complaint to an appropriate agency as to tenantability of a dwelling, and if the lessee of a dwelling is not in default as to the payment of rent, the lessor may not recover possession of a dwelling in any action or proceeding, cause the lessee to quit involuntarily, increase the rent, or decrease any services within 180 days of any of the following:

(1) After the date upon which the lessee, in good faith, has given notice pursuant to Section 1942, has provided notice of a suspected bed bug infestation, or has made an oral complaint to the lessor regarding tenantability.

(2) After the date upon which the lessee, in good faith, has filed a written complaint, or an oral complaint which is registered or otherwise recorded in writing, with an appropriate agency, of which the lessor has notice, for the purpose of obtaining correction of a condition relating to tenantability.

(3) After the date of an inspection or issuance of a citation, resulting from a complaint described in paragraph (2) of which the lessor did not have notice.

(4) After the filing of appropriate documents commencing a judicial or arbitration proceeding involving the issue of tenantability.

(5) After entry of judgment or the signing of an arbitration award, if any, when in the judicial proceeding or arbitration the issue of tenantability is determined adversely to the lessor.

In each instance, the 180-day period shall run from the latest applicable date referred to in paragraphs (1) to (5), inclusive.

(b) A lessee may not invoke subdivision (a) more than once in any 12-month period.

(c) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (a). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(d) Notwithstanding subdivision (a), it is unlawful for a lessor to increase rent, decrease services, cause a lessee to quit involuntarily, bring an action to recover possession, or threaten to do any of those acts, for the purpose of retaliating against the lessee because the lessee has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights or has lawfully and peaceably exercised any rights under the law. It is also unlawful for a lessor to bring an action for unlawful detainer based on a cause of action other than nonpayment of COVID-19 rental debt, as defined in Section 1179.02 of the Code of Civil Procedure, for the purpose of retaliating against the lessee because the lessee has a COVID-19 rental debt. In an action brought by or against the lessee pursuant to this subdivision, the lessee shall bear the burden of producing evidence that the lessor's conduct was, in fact, retaliatory.

(e) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (d). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(f) This section does not limit in any way the exercise by the lessor of the lessor's rights under any lease or agreement or any law pertaining to the hiring of property or the lessor's right to do any of the acts described in subdivision (a) or (d) for any lawful cause. Any waiver by a lessee of the lessee's rights under this section is void as contrary to public policy.

(g) Notwithstanding subdivisions (a) to (f), inclusive, a lessor may recover possession of a dwelling and do any of the other acts described in subdivision (a) within the period or periods prescribed therein, or within subdivision (d), if the notice of termination, rent increase, or other act, and any pleading or statement of issues in an arbitration, if any, states the ground upon which the lessor, in good faith, seeks to recover possession, increase rent, or do any of the other acts described in subdivision (a) or (d). If the statement is controverted, the lessor shall establish its truth at the trial or other hearing.

(h) Any lessor or agent of a lessor who violates this section shall be liable to the lessee in a civil action for all of the following:

(1) The actual damages sustained by the lessee.

(2) Punitive damages in an amount of not less than one hundred dollars ($100) nor more than two thousand dollars ($2,000) for each retaliatory act where the lessor or agent has been guilty of fraud, oppression, or malice with respect to that act.

(i) In any action brought for damages for retaliatory eviction, the court shall award reasonable attorney's fees to the prevailing party if either party requests attorney's fees upon the initiation of the action.

(j) The remedies provided by this section shall be in addition to any other remedies provided by statutory or decisional law.

(k) A lessor does not violate subdivision (c) or (e) by complying with any legal obligation under any federal government program that provides for rent limitations or rental assistance to a qualified tenant.

(*l*) This section shall remain in effect until July 1, 2021, and as of that date is repealed.

SEC. 6. Section 1942.5 of the Civil Code, as added by Section 7 of Chapter 37 of the Statutes of 2020, is amended to read:

1942.5. (a) If the lessor retaliates against the lessee because of the exercise by the lessee of the lessee's rights under this chapter or because of the lessee's complaint to an appropriate agency as to tenantability of a dwelling, and if the lessee of a dwelling is not in default as to the payment of rent, the lessor may not recover possession of a dwelling in any action or proceeding, cause the lessee to quit involuntarily, increase the rent, or decrease any services within 180 days of any of the following:

(1) After the date upon which the lessee, in good faith, has given notice pursuant to Section 1942, has provided notice of a suspected bed bug infestation, or has made an oral complaint to the lessor regarding tenantability.

(2) After the date upon which the lessee, in good faith, has filed a written complaint, or an oral complaint which is registered or otherwise recorded in writing, with an appropriate agency, of which the lessor has notice, for the purpose of obtaining correction of a condition relating to tenantability.

(3) After the date of an inspection or issuance of a citation, resulting from a complaint described in paragraph (2) of which the lessor did not have notice.

(4) After the filing of appropriate documents commencing a judicial or arbitration proceeding involving the issue of tenantability.

(5) After entry of judgment or the signing of an arbitration award, if any, when in the judicial proceeding or arbitration the issue of tenantability is determined adversely to the lessor.

In each instance, the 180-day period shall run from the latest applicable date referred to in paragraphs (1) to (5), inclusive.

(b) A lessee may not invoke subdivision (a) more than once in any 12-month period.

(c) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (a). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(d) Notwithstanding subdivision (a), it is unlawful for a lessor to increase rent, decrease services, cause a lessee to quit involuntarily, bring an action to recover possession, or threaten to do any of those acts, for the purpose of retaliating against the lessee because the lessee has lawfully organized or participated in a lessees' association or an organization advocating lessees' rights or has lawfully and peaceably exercised any rights under the law. In an action brought by or against the lessee pursuant to this subdivision, the lessee shall bear the burden of producing evidence that the lessor's conduct was, in fact, retaliatory.

(e) To report, or to threaten to report, the lessee or individuals known to the landlord to be associated with the lessee to immigration authorities is a form of retaliatory conduct prohibited under subdivision (d). This subdivision shall in no way limit the definition of retaliatory conduct prohibited under this section.

(f) This section does not limit in any way the exercise by the lessor of the lessor's rights under any lease or agreement or any law pertaining to the hiring of property or the lessor's right to do any of the acts described in subdivision (a) or (d) for any lawful cause. Any waiver by a lessee of the lessee's rights under this section is void as contrary to public policy.

(g) Notwithstanding subdivisions (a) to (f), inclusive, a lessor may recover possession of a dwelling and do any of the other acts described in subdivision (a) within the period or periods prescribed therein, or within subdivision (d), if the notice of termination, rent increase, or other act, and any pleading or statement of issues in an arbitration, if any, states the ground upon which the lessor, in good faith, seeks to recover possession, increase rent, or do any of the other acts described in subdivision (a) or (d). If the statement is controverted, the lessor shall establish its truth at the trial or other hearing.

(h) Any lessor or agent of a lessor who violates this section shall be liable to the lessee in a civil action for all of the following:

(1) The actual damages sustained by the lessee.

(2) Punitive damages in an amount of not less than one hundred dollars ($100) nor more than two thousand dollars ($2,000) for each retaliatory act where the lessor or agent has been guilty of fraud, oppression, or malice with respect to that act.

(i) In any action brought for damages for retaliatory eviction, the court shall award reasonable attorney's fees to the prevailing party if either party requests attorney's fees upon the initiation of the action.

(j) The remedies provided by this section shall be in addition to any other remedies provided by statutory or decisional law.

(k) A lessor does not violate subdivision (c) or (e) by complying with any legal obligation under any federal government program that provides for rent limitations or rental assistance to a qualified tenant.

(*l*) This section shall become operative on July 1, 2021.

SEC. 7. Section 1942.9 is added to the Civil Code, to read:

1942.9. (a) Notwithstanding any other law, a landlord shall not, with respect to a tenant who has COVID-19 rental debt, as that term is defined in Section 1179.02 of the Code of Civil Procedure, and who has submitted a declaration of COVID-19-related financial distress, as that term is defined in Section 1179.02, do either of the following:

(1) Charge a tenant, or attempt to collect from a tenant, fees assessed for the late payment of that COVID-19 rental debt.

(2) Increase fees charged to the tenant or charge the tenant fees for services previously provided by the landlord without charge.

(b) Notwithstanding any other law, a landlord who temporarily reduces or makes unavailable a service or amenity as the result of compliance with federal, state, or local public health orders or guidelines shall not be considered to have violated the rental or lease agreement, nor to have provided different terms or conditions of tenancy or reduced services for purposes of any law, ordinance, rule, regulation, or initiative measure adopted by a local governmental entity that establishes a maximum amount that a landlord may charge a tenant for rent.

SEC. 8. Section 3273.1 of the Civil Code is amended to read:

3273.1. For purposes of this title:

(a) (1) "Borrower" means any of the following:

(A) A natural person who is a mortgagor or trustor or a confirmed successor in interest, as defined in Section 1024.31 of Title 12 of the Code of Federal Regulations.

(B) An entity other than a natural person only if the secured property contains no more than four dwelling units and is currently occupied by one or more residential tenants.

(2) "Borrower" shall not include an individual who has surrendered the secured property as evidenced by either a letter confirming the surrender or delivery of the keys to the property to the mortgagee, trustee, beneficiary, or authorized agent.

(3) Unless the property securing the mortgage contains one or more deed-restricted affordable housing units or one or more affordable housing units subject to a regulatory restriction limiting rental rates that is contained in an agreement with a government agency, the following mortgagors shall not be considered a "borrower" :

(A) A real estate investment trust, as defined in Section 856 of the Internal Revenue Code.

(B) A corporation.

(C) A limited liability company in which at least one member is a corporation.

(4) "Borrower" shall also mean a person who holds a power of attorney for a borrower described in paragraph (1).

(b) "Effective time period" means the time period between the operational date of this title and September 1, 2021.

(c) (1) "Mortgage servicer" or "lienholder" means a person or entity who directly services a loan or who is responsible for interacting with the borrower, managing the loan account on a daily basis, including collecting and crediting periodic loan payments, managing any escrow account, or enforcing the note and security instrument, either as the current owner of the promissory note or as the current owner's authorized agent.

(2) "Mortgage servicer" or "lienholder" also means a subservicing agent to a master servicer by contract.

(3) "Mortgage servicer" shall not include a trustee, or a trustee's authorized agent, acting under a power of sale pursuant to a deed of trust.

SEC. 9. Section 116.223 of the Code of Civil Procedure is amended to read:

116.223. (a) The Legislature hereby finds and declares as follows:

(1) There is anticipated to be an unprecedented number of claims arising out of nonpayment of residential rent that occurred between March 1, 2020, and June 30, 2021, related to the COVID-19 pandemic.

(2) These disputes are of special importance to the parties and of significant social and economic consequence collectively as the people of the State of California grapple with the health, economic, and social impacts of the COVID-19 pandemic.

(3) It is essential that the parties have access to a judicial forum to resolve these disputes expeditiously, inexpensively, and fairly.

(4) It is the intent of the Legislature that landlords of residential real property and their tenants have the option to litigate disputes regarding rent which is unpaid for the time period between March 1, 2020, and June 30, 2021, in the small claims court. It is the intent of the Legislature that the jurisdictional limits of the small claims court not apply to these disputes over COVID-19 rental debt.

(b) (1) Notwithstanding paragraph (1) of subdivision (a) Section 116.220, Section 116.221, or any other law, the small claims court has jurisdiction in any action for recovery of COVID-19 rental debt, as defined in Section 1179.02, and any defenses thereto, regardless of the amount demanded.

(2) In an action described in paragraph (1), the court shall reduce the damages awarded for any amount of COVID-19 rental debt sought by payments made to the landlord to satisfy the COVID-19 rental debt, including payments by the tenant, rental assistance programs, or another third party pursuant to paragraph (3) of subdivision (a) of Section 1947.3 of the Civil Code.

(3) An action to recover COVID-19 rental debt, as defined in Section 1179.02, brought pursuant to this subdivision shall not be commenced before August 1, 2021.

(c) Any claim for recovery of COVID-19 rental debt, as defined in Section 1179.02, shall not be subject to Section 116.231, notwithstanding the fact that a landlord of residential rental property may have brought two or more small claims actions in which the amount demanded exceeded two thousand five hundred dollars ($2,500) in any calendar year.

(d) This section shall remain in effect until July 1, 2025, and as of that date is repealed.

SEC. 10. Chapter 11 (commencing with Section 871.10) is added to Title 10 of Part 2 of the Code of Civil Procedure, to read:

CHAPTER 11. Actions to Recover COVID-19 Rental Debt

871.10. (a) Except as otherwise provided in subdivisions (c) and (e), in any action seeking recovery of COVID-19 rental debt, as defined in Section 1179.02, the plaintiff shall, in addition to any other requirements provided by law, attach to the complaint documentation showing that the plaintiff has made a good faith effort to investigate whether governmental rental assistance is available to the tenant, seek governmental rental assistance for the tenant, or cooperate with the tenant's efforts to obtain rental assistance from any governmental entity, or other third party pursuant to paragraph (3) of subdivision (a) of Section 1947.3 of the Civil Code.

(b) In an action subject to subdivision (a), the court may reduce the damages awarded for any amount of COVID-19 rental debt, as defined in Section 1179.02, sought if the court determines that the landlord refused to obtain rental assistance from the state rental assistance program created pursuant to Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code, if the tenant met the eligibility requirements and funding was available.

(c) This section shall not apply within any jurisdiction that received a direct allocation of assistance from the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and did not accept a block grant pursuant to Section 50897.2 of the Health and Safety Code and is not subject to paragraph (5) of subdivision (a) of that section.

(d) An action to recover COVID-19 rental debt, as defined in Section 1179.02, that is subject to this section shall not be commenced before July 1, 2021.

(e) This section shall not apply to an action to recover COVID-19 rental debt, as that term is defined in Section 1179.02, pending before the court as of the operative date of this section.

(f) Except as otherwise provided in this section, any action to recover COVID-19 rental debt, as defined in Section 1179.02, that is subject to this section and is pending before the court as of the operative date of this section shall be stayed until July 1, 2021.

(g) This section shall not apply to any unlawful detainer action to recover possession pursuant to Section 1161.

(h) Actions for breach of contract to recover rental debt that were filed before October 1, 2020, shall not be stayed and may proceed, except that this subdivision shall not apply to actions filed against any person who would have qualified under the rental assistance funding provided through the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and where the person's household income is at or below 80 percent of the area median income for the 2020 calendar year.

871.11. (a) Notwithstanding any other law, in any action to recover COVID-19 rental debt, as defined in Section 1179.02, brought as a limited or unlimited civil case, the court shall not, under ordinary circumstances, award reasonable attorneys' fees to a prevailing party that exceed the following amounts:

(1) If the matter is uncontested, five hundred dollars ($500).

(2) If the matter is contested, one thousand dollars ($1,000).

(b) In determining whether a case was litigated under ordinary circumstances, the court may consider the following:

(1) The number and complexity of pretrial and posttrial motions.

(2) The nature and extent of any discovery performed.

(3) Whether the case was tried by jury or by the court.

(4) The length of the trial.

(5) Any other factor the court, in its discretion, finds relevant, including whether the tenant or the landlord, or both the tenant and the landlord, would have been eligible to receive a rental assistance payment from the governmental entity, or other third party pursuant to paragraph (3) of subdivision (a) of Section 1947.3 of the Civil Code.

(c) Nothing in this section shall be interpreted to entitle the prevailing party to an award of reasonable attorneys' fees if that award is not otherwise provided for by law or agreement.

(d) This section shall remain in effect until July 1, 2025, and as of that date is repealed.

871.12. This chapter shall remain in effect until July 1, 2027, and as of the date is repealed.

SEC. 11. Section 1161.2 of the Code of Civil Procedure, as amended by Section 17 of Chapter 37 of the Statutes of 2020, is amended to read:

1161.2. (a) (1) The clerk shall allow access to limited civil case records filed under this chapter, including the court file, index, and register of actions, only as follows:

(A) To a party to the action, including a party's attorney.

(B) To a person who provides the clerk with the names of at least one plaintiff and one defendant and the address of the premises, including the apartment or unit number, if any.

(C) To a resident of the premises who provides the clerk with the name of one of the parties or the case number and shows proof of residency.

(D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.

(E) Except as provided in subparagraph (G), to any person by order of the court if judgment is entered for the plaintiff after trial more than 60 days since the filing of the complaint. The court shall issue the order upon issuing judgment for the plaintiff.

(F) Except as provided in subparagraph (G), to any other person 60 days after the complaint has been filed if the plaintiff prevails in the action within 60 days of the filing of the complaint, in which case the clerk shall allow access to any court records in the action. If a default or default judgment is set aside more than 60 days after the complaint has been filed, this section shall apply as if the complaint had been filed on the date the default or default judgment is set aside.

(G) (i) In the case of a complaint involving residential property based on Section 1161a as indicated in the caption of the complaint, as required in subdivision (c) of Section 1166, to any other person, if 60 days have elapsed since the complaint was filed with the court, and, as of that date, judgment against all defendants has been entered for the plaintiff, after a trial.

(ii) Subparagraphs (E) and (F) shall not apply if the plaintiff filed the action between March 4, 2020, and June 30, 2021, and the action is based on an alleged default in the payment of rent.

(2) This section shall not be construed to prohibit the court from issuing an order that bars access to the court record in an action filed under this chapter if the parties to the action so stipulate.

(b) (1) For purposes of this section, "good cause" includes, but is not limited to, both of the following:

(A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.

(B) The gathering of evidence by a party to an unlawful detainer action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.

(2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).

(c) Upon the filing of a case so restricted, the court clerk shall mail notice to each defendant named in the action. The notice shall be mailed to the address provided in the complaint. The notice shall contain a statement that an unlawful detainer complaint (eviction action) has been filed naming that party as a defendant, and that access to the court file will be delayed for 60 days except to a party, an attorney for one of the parties, or any other person who (1) provides to the clerk the names of at least one plaintiff and one defendant in the action and provides to the clerk the address, including any applicable apartment, unit, or space number, of the subject premises, or (2) provides to the clerk the name of one of the parties in the action or the case number and can establish through proper identification that the person lives at the subject premises. The notice shall also contain a statement that access to the court index, register of actions, or other records is not permitted until 60 days after the complaint is filed, except pursuant to an order upon a showing of good cause for access. The notice shall contain on its face the following information:

(1) The name and telephone number of the county bar association.

(2) The name and telephone number of any entity that requests inclusion on the notice and demonstrates to the satisfaction of the court that it has been certified by the State Bar of California as a lawyer referral service and maintains a panel of attorneys qualified in the practice of landlord-tenant law pursuant to the minimum standards for a lawyer referral service established by the State Bar of California and Section 6155 of the Business and Professions Code.

(3) The following statement:

"The State Bar of California certifies lawyer referral services in California and publishes a list of certified lawyer referral services organized by county. To locate a lawyer referral service in your county, go to the State Bar's internet website at www.calbar.ca.gov or call 1-866-442-2529."

(4) The name and telephone number of an office or offices funded by the federal Legal Services Corporation or qualified legal services projects that receive funds distributed pursuant to Section 6216 of the Business and Professions Code that provide legal services to low-income persons in the county in which the action is filed. The notice shall state that these telephone numbers may be called for legal advice regarding the case. The notice shall be issued between 24 and 48 hours of the filing of the complaint, excluding weekends and holidays. One copy of the notice shall be addressed to "all occupants" and mailed separately to the subject premises. The notice shall not constitute service of the summons and complaint.

(d) Notwithstanding any other law, the court shall charge an additional fee of fifteen dollars ($15) for filing a first appearance by the plaintiff. This fee shall be added to the uniform filing fee for actions filed under this chapter.

(e) This section does not apply to a case that seeks to terminate a mobilehome park tenancy if the statement of the character of the proceeding in the caption of the complaint clearly indicates that the complaint seeks termination of a mobilehome park tenancy.

(f) This section does not alter any provision of the Evidence Code.

(g) This section shall remain in effect until July 1, 2021, and as of that date is repealed.

SEC. 12. Section 1161.2 of the Code of Civil Procedure, as added by Section 18 of Chapter 37 of the Statutes of 2020, is amended to read:

1161.2. (a) (1) The clerk shall allow access to limited civil case records filed under this chapter, including the court file, index, and register of actions, only as follows:

(A) To a party to the action, including a party's attorney.

(B) To a person who provides the clerk with the names of at least one plaintiff and one defendant and the address of the premises, including the apartment or unit number, if any.

(C) To a resident of the premises who provides the clerk with the name of one of the parties or the case number and shows proof of residency.

(D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.

(E) To any person by order of the court if judgment is entered for the plaintiff after trial more than 60 days since the filing of the complaint. The court shall issue the order upon issuing judgment for the plaintiff.

(F) Except as provided in subparagraph (G), to any other person 60 days after the complaint has been filed if the plaintiff prevails in the action within 60 days of the filing of the complaint, in which case the clerk shall allow access to any court records in the action. If a default or default judgment is set aside more than 60 days after the complaint has been filed, this section shall apply as if the complaint had been filed on the date the default or default judgment is set aside.

(G) In the case of a complaint involving residential property based on Section 1161a as indicated in the caption of the complaint, as required in subdivision (c) of Section 1166, to any other person, if 60 days have elapsed since the complaint was filed with the court,

and, as of that date, judgment against all defendants has been entered for the plaintiff, after a trial.

(2) This section shall not be construed to prohibit the court from issuing an order that bars access to the court record in an action filed under this chapter if the parties to the action so stipulate.

(b) (1) For purposes of this section, "good cause" includes, but is not limited to, both of the following:

(A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.

(B) The gathering of evidence by a party to an unlawful detainer action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.

(2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).

(c) Upon the filing of a case so restricted, the court clerk shall mail notice to each defendant named in the action. The notice shall be mailed to the address provided in the complaint. The notice shall contain a statement that an unlawful detainer complaint (eviction action) has been filed naming that party as a defendant, and that access to the court file will be delayed for 60 days except to a party, an attorney for one of the parties, or any other person who (1) provides to the clerk the names of at least one plaintiff and one defendant in the action and provides to the clerk the address, including any applicable apartment, unit, or space number, of the subject premises, or (2) provides to the clerk the name of one of the parties in the action or the case number and can establish through proper identification that the person lives at the subject premises. The notice shall also contain a statement that access to the court index, register of actions, or other records is not permitted until 60 days after the complaint is filed, except pursuant to an order upon a showing of good cause for access. The notice shall contain on its face the following information:

(1) The name and telephone number of the county bar association.

(2) The name and telephone number of any entity that requests inclusion on the notice and demonstrates to the satisfaction of the court that it has been certified by the State Bar of California as a lawyer referral service and maintains a panel of attorneys qualified in the practice of landlord-tenant law pursuant to the minimum standards for a lawyer referral service established by the State Bar of California and Section 6155 of the Business and Professions Code.

(3) The following statement:

"The State Bar of California certifies lawyer referral services in California and publishes a list of certified lawyer referral services organized by county. To locate a lawyer referral service in your county, go to the State Bar's internet website at www.calbar.ca.gov or call 1-866-442-2529."

(4) The name and telephone number of an office or offices funded by the federal Legal Services Corporation or qualified legal services projects that receive funds distributed pursuant to Section 6216 of the Business and Professions Code that provide legal services to low-income persons in the county in which the action is filed. The notice shall state that these telephone numbers may be called for legal advice regarding the case. The notice shall be issued between 24 and 48 hours of the filing of the complaint, excluding weekends and holidays. One copy of the notice shall be addressed to "all occupants" and mailed separately to the subject premises. The notice shall not constitute service of the summons and complaint.

(d) Notwithstanding any other law, the court shall charge an additional fee of fifteen dollars ($15) for filing a first appearance by the plaintiff. This fee shall be added to the uniform filing fee for actions filed under this chapter.

(e) This section does not apply to a case that seeks to terminate a mobilehome park tenancy if the statement of the character of the proceeding in the caption of the complaint clearly indicates that the complaint seeks termination of a mobilehome park tenancy.

(f) This section does not alter any provision of the Evidence Code.

(g) This section shall become operative on July 1, 2021.

SEC. 13. Section 1161.2.5 of the Code of Civil Procedure is amended to read:

1161.2.5. (a) (1) Except as provided in Section 1161.2, the clerk shall allow access to civil case records for actions seeking recovery of COVID-19 rental debt, as defined in Section 1179.02, including the court file, index, and register of actions, only as follows:

(A) To a party to the action, including a party's attorney.

(B) To a person who provides the clerk with the names of at least one plaintiff and one defendant.

(C) To a resident of the premises for which the COVID-19 rental debt is owed who provides the clerk with the name of one of the parties or the case number and shows proof of residency.

(D) To a person by order of the court, which may be granted ex parte, on a showing of good cause.

(2) To give the court notice that access to the records in an action is limited, any complaint or responsive pleading in a case subject to this section shall include on either the first page of the pleading or a cover page, the phrase "ACTION FOR RECOVERY OF COVID-19 RENTAL DEBT AS DEFINED UNDER SECTION 1179.02" in bold, capital letters, in 12 point or larger font.

(b) (1) For purposes of this section, "good cause" includes, but is not limited to, both of the following:

(A) The gathering of newsworthy facts by a person described in Section 1070 of the Evidence Code.

(B) The gathering of evidence by a party to a civil action solely for the purpose of making a request for judicial notice pursuant to subdivision (d) of Section 452 of the Evidence Code.

(2) It is the intent of the Legislature that a simple procedure be established to request the ex parte order described in subparagraph (D) of paragraph (1) of subdivision (a).

(c) This section does not alter any provision of the Evidence Code.

(d) This section shall remain in effect until July 1, 2021, and as of that date is repealed.

SEC. 14. The heading of Chapter 5 (commencing with Section 1179.01) of Title 3 of Part 3 of the Code of Civil Procedure is amended to read:

CHAPTER 5. COVID-19 Tenant Relief Act

SEC. 15. Section 1179.01 of the Code of Civil Procedure is amended to read:

1179.01. This chapter is known, and may be cited, as the COVID-19 Tenant Relief Act.

SEC. 16. Section 1179.02 of the Code of Civil Procedure is amended to read:

1179.02. For purposes of this chapter:

(a) "Covered time period" means the time period between March 1, 2020, and June 30, 2021.

(b) "COVID-19-related financial distress" means any of the following:

(1) Loss of income caused by the COVID-19 pandemic.

(2) Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

(3) Increased expenses directly related to the health impact of the COVID-19 pandemic.

(4) Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit a tenant's ability to earn income.

(5) Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.

(6) Other circumstances related to the COVID-19 pandemic that have reduced a tenant's income or increased a tenant's expenses.

(c) "COVID-19 rental debt" means unpaid rent or any other unpaid financial obligation of a tenant under the tenancy that came due during the covered time period.

(d) "Declaration of COVID-19-related financial distress" means the following written statement:

I am currently unable to pay my rent or other financial obligations under the lease in full because of one or more of the following:

1. Loss of income caused by the COVID-19 pandemic.

2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

3. Increased expenses directly related to health impacts of the COVID-19 pandemic.

4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit my ability to earn income.

5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19

pandemic.

6. Other circumstances related to the COVID-19 pandemic that have reduced my income or increased my expenses.

Any public assistance, including unemployment insurance, pandemic unemployment assistance, state disability insurance (SDI), or paid family leave, that I have received since the start of the COVID-19 pandemic does not fully make up for my loss of income and/or increased expenses.

Signed under penalty of perjury:

Dated:

(e) "Landlord" includes all of the following or the agent of any of the following:

(1) An owner of residential real property.

(2) An owner of a residential rental unit.

(3) An owner of a mobilehome park.

(4) An owner of a mobilehome park space or lot.

(f) "Protected time period" means the time period between March 1, 2020, and August 31, 2020.

(g) "Rental payment" means rent or any other financial obligation of a tenant under the tenancy.

(h) "Tenant" means any natural person who hires real property except any of the following:

(1) Tenants of commercial property, as defined in subdivision (c) of Section 1162 of the Civil Code.

(2) Those persons whose occupancy is described in subdivision (b) of Section 1940 of the Civil Code.

(i) "Transition time period" means the time period between September 1, 2020, and June 30, 2021.

SEC. 17. Section 1179.03 of the Code of Civil Procedure is amended to read:

1179.03. (a) (1) Any notice that demands payment of COVID-19 rental debt served pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161 shall be modified as required by this section. A notice which does not meet the requirements of this section, regardless of when the notice was issued, shall not be sufficient to establish a cause of action for unlawful detainer or a basis for default judgment.

(2) Any case based solely on a notice that demands payment of COVID-19 rental debt served pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161 may be dismissed if the notice does not meet the requirements of this section, regardless of when the notice was issued.

(3) Notwithstanding paragraphs (1) and (2), this section shall have no effect if the landlord lawfully regained possession of the property or obtained a judgment for possession of the property before the operative date of this section.

(b) If the notice demands payment of rent that came due during the protected time period, as defined in Section 1179.02, the notice shall comply with all of the following:

(1) The time period in which the tenant may pay the amount due or deliver possession of the property shall be no shorter than 15 days, excluding Saturdays, Sundays, and other judicial holidays.

(2) The notice shall set forth the amount of rent demanded and the date each amount became due.

(3) The notice shall advise the tenant that the tenant cannot be evicted for failure to comply with the notice if the tenant delivers a signed declaration of COVID-19-related financial distress to the landlord on or before the date that the notice to pay rent or quit or notice to perform covenants or quit expires, by any of the methods specified in subdivision (f).

(4) The notice shall include the following text in at least 12-point font:

"NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, your landlord will not be able to evict you for this missed payment if you sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, but you will still owe this money to your landlord. If you do not sign and deliver the declaration within this time period, you may lose the eviction protections available to you. You must return this form to be protected. You should keep a copy or picture of the signed form for your records.

You will still owe this money to your landlord and can be sued for the money, but you cannot be evicted from your home if you comply with these requirements. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes. Failure to respond to this notice may result in an unlawful detainer action (eviction) being filed against you.

For information about legal resources that may be available to you, visit lawhelpca.org."

(c) If the notice demands payment of rent that came due during the transition time period, as defined in Section 1179.02, the notice shall comply with all of the following:

(1) The time period in which the tenant may pay the amount due or deliver possession of the property shall be no shorter than 15 days, excluding Saturdays, Sundays, and other judicial holidays.

(2) The notice shall set forth the amount of rent demanded and the date each amount became due.

(3) The notice shall advise the tenant that the tenant will not be evicted for failure to comply with the notice, except as allowed by this chapter, if the tenant delivers a signed declaration of COVID-19-related financial distress to the landlord on or before the date the notice to pay rent or quit or notice to perform covenants or quit expires, by any of the methods specified in subdivision (f).

(4) For notices provided before February 1, 2021, the notice shall include the following text in at least 12-point type:

"NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, you may sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, and your landlord will not be able to evict you for this missed payment so long as you make the minimum payment (see below). You will still owe this money to your landlord. You should keep a copy or picture of the signed form for your records.

If you provide the declaration form to your landlord as described above AND, on or before January 31, 2021, you pay an amount that equals at least 25 percent of each rental payment that came due or will come due during the period between September 1, 2020, and January 31, 2021, that you were unable to pay as a result of decreased income or increased expenses due to COVID-19, your landlord cannot evict you. Your landlord may require you to submit a new declaration form for each rental payment that you do not pay that comes due between September 1, 2020, and January 31, 2021.

For example, if you provided a declaration form to your landlord regarding your decreased income or increased expenses due to COVID-19 that prevented you from making your rental payment in September and October of 2020, your landlord could not evict you if, on or before January 31, 2021, you made a payment equal to 25 percent of September's and October's rental payment (i.e., half a month's rent). If you were unable to pay any of the rental payments that came due between September 1, 2020, and January 31, 2021, and you provided your landlord with the declarations in response to each 15-day notice your landlord sent to you during that time period, your landlord could not evict you if, on or before January 31, 2021, you paid your landlord an amount equal to 25 percent of all the rental payments due from September through January (i.e., one and a quarter month's rent).

You will still owe the full amount of the rent to your landlord, but you cannot be evicted from your home if you comply with these requirements. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes. Failure to respond to this notice may result in an unlawful detainer action (eviction) being filed against you.

For information about legal resources that may be available to you, visit lawhelpca.org."

(5) For notices provided on or after February 1, 2021, the notice shall include the following text in at least 12-point type:

"NOTICE FROM THE STATE OF CALIFORNIA: If you are unable to pay the amount demanded in this notice, and have decreased income or increased expenses due to COVID-19, you may sign and deliver the declaration form included with your notice to your landlord within 15 days, excluding Saturdays, Sundays, and other judicial holidays, and your landlord will not be able to evict you for this missed payment so long as you make the minimum payment (see below). You will still owe this money to your landlord. You should keep a copy or picture of the signed form for your records.

If you provide the declaration form to your landlord as described above AND, on or before June 30, 2021, you pay an amount that equals at least 25 percent of each rental payment that came due or will come due during the period between September 1, 2020, and June 30, 2021, that you were unable to pay as a result of decreased income or increased expenses due to COVID-19, your landlord cannot evict you. Your landlord may require you to submit a new declaration form for each rental payment that you do not pay that comes due between September 1, 2020, and June 30, 2021.

If you were unable to pay any of the rental payments that came due between September 1, 2020, and June 30, 2021, and you provided your landlord with the declarations in response to each 15-day notice your landlord sent to you during that time period, your landlord could not evict you if, on or before June 30, 2021, you paid your landlord an amount equal to 25 percent of all the rental payments due from September 2020 through June 2021.

You will still owe the full amount of the rent to your landlord, but you cannot be evicted from your home if you comply with these requirements. You should keep careful track of what you have paid and any amount you still owe to protect your rights and avoid future disputes. Failure to respond to this notice may result in an unlawful detainer action (eviction) being filed against you.

YOU MAY QUALIFY FOR RENTAL ASSISTANCE. In addition to extending these eviction protections, the State of California, in partnership with federal and local governments, has created an emergency rental assistance program to assist renters who have been unable to pay their rent and utility bills as a result of the COVID-19 pandemic. This program may be able to help you get caught up with past-due rent. Additionally, depending on the availability of funds, the program may also be able to assist you with making future rental payments.

While not everyone will qualify for this assistance, you can apply for it regardless of your citizenship or immigration status. There is no charge to apply for or receive this assistance.

Additional information about the extension of the COVID-19 Tenant Relief Act and new state or local rental assistance programs, including more information about how to qualify for assistance, can be found by visiting https://housingiskey.com or by calling 1-833-422-4255."

(d) An unsigned copy of a declaration of COVID-19-related financial distress shall accompany each notice delivered to a tenant to which subdivision (b) or (c) is applicable. If the landlord was required, pursuant to Section 1632 of the Civil Code, to provide a translation of the rental contract or agreement in the language in which the contract or agreement was negotiated, the landlord shall also provide the unsigned copy of a declaration of COVID-19-related financial distress to the tenant in the language in which the contract or agreement was negotiated. The Department of Real Estate shall make available an official translation of the text required by paragraph (4) of subdivision (b), paragraph (4) of subdivision (c), and paragraph (5) of subdivision (c) in the languages specified in Section 1632 of the Civil Code by no later than February 15, 2021.

(e) If a tenant owes a COVID-19 rental debt to which both subdivisions (b) and (c) apply, the landlord shall serve two separate notices that comply with subdivisions (b) and (c), respectively.

(f) A tenant may deliver the declaration of COVID-19-related financial distress to the landlord by any of the following methods:

(1) In person, if the landlord indicates in the notice an address at which the declaration may be delivered in person.

(2) By electronic transmission, if the landlord indicates an email address in the notice to which the declaration may be delivered.

(3) Through United States mail to the address indicated by the landlord in the notice. If the landlord does not provide an address pursuant to subparagraph (1), then it shall be conclusively presumed that upon the mailing of the declaration by the tenant to the address provided by the landlord, the declaration is deemed received by the landlord on the date posted, if the tenant can show proof of mailing to the address provided by the landlord.

(4) Through any of the same methods that the tenant can use to deliver the payment pursuant to the notice if delivery of the declaration by that method is possible.

(g) Except as provided in Section 1179.02.5, the following shall apply to a tenant who, within 15 days of service of the notice specified in subdivision (b) or (c), excluding Saturdays, Sundays, and other judicial holidays, demanding payment of COVID-19 rental debt delivers a declaration of COVID-19-related financial distress to the landlord by any of the methods provided in subdivision (f):

(1) With respect to a notice served pursuant to subdivision (b), the tenant shall not then or thereafter be deemed to be in default with regard to that COVID-19 rental debt for purposes of subdivision (e) of Section 798.56 of the Civil Code or paragraphs (2) and (3) of Section 1161.

(2) With respect to a notice served pursuant to subdivision (c), the following shall apply:

(A) Except as provided by subparagraph (B), the landlord may not initiate an unlawful detainer action before July 1, 2021.

(B) A tenant shall not be guilty of unlawful detainer, now or in the future, based upon nonpayment of COVID-19 rental debt that came due during the transition period if, on or before June 30, 2021, the tenant tenders one or more payments that, when taken together, are of an amount equal to or not less than 25 percent of each transition period rental payment demanded in one or more notices served pursuant to subsection (c) and for which the tenant complied with this subdivision by timely delivering a declaration of COVID-19-related financial distress to the landlord.

(h) (1) (A) Within the time prescribed in Section 1167, a tenant shall be permitted to file a signed declaration of COVID-19-related financial distress with the court.

(B) If the tenant files a signed declaration of COVID-19-related financial distress with the court pursuant to this subdivision, the court shall dismiss the case, pursuant to paragraph (2), if the court finds, after a noticed hearing on the matter, that the tenant's failure to return a declaration of COVID-19-related financial distress within the time required by subdivision (g) was the result of mistake,

inadvertence, surprise, or excusable neglect, as those terms have been interpreted under subdivision (b) of Section 473.

(C) The noticed hearing required by this paragraph shall be held with not less than five days' notice and not more than 10 days' notice, to be given by the court, and may be held separately or in conjunction with any regularly noticed hearing in the case, other than a trial.

(2) If the court dismisses the case pursuant to paragraph (1), that dismissal shall be without prejudice as follows:

(A) If the case was based in whole or in part upon a notice served pursuant to subdivision (b), the court shall dismiss any cause of action based on the notice served pursuant to subdivision (b).

(B) Before July 1, 2021, if the case is based in whole or in part on a notice served pursuant to subdivision (c), the court shall dismiss any cause of action based on the notice served pursuant to subdivision (c).

(C) On or after July 1, 2021, if the case is based in whole or in part on a notice served pursuant to subdivision (c), the court shall dismiss any cause of action based upon the notice served pursuant to subdivision (c) if the tenant, within five days of the court's order to do so, makes the payment required by subparagraph (B) of paragraph (1) of subdivision (g), provided that if the fifth day falls on a Saturday, Sunday, or judicial holiday the last day to pay shall be extended to the next court day.

(3) If the court dismisses the case pursuant to this subdivision, the tenant shall not be considered the prevailing party for purposes of Section 1032, any attorney's fee provision appearing in contract or statute, or any other law.

(i) Notwithstanding any other law, a notice which is served pursuant to subdivision (b) or (c) that complies with the requirements of this chapter and subdivision (e) of Section 798.56 of the Civil Code or paragraphs (2) and (3) of Section 1161, as applicable, need not include specific language required by any ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county.

SEC. 18. Section 1179.03.5 of the Code of Civil Procedure is amended to read:

1179.03.5. (a) Before July 1, 2021, a court may not find a tenant guilty of an unlawful detainer unless it finds that one of the following applies:

(1) The tenant was guilty of the unlawful detainer before March 1, 2020.

(2) In response to service of a notice demanding payment of COVID-19 rental debt pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) or (3) of Section 1161, the tenant failed to comply with the requirements of Section 1179.03.

(3) (A) The unlawful detainer arises because of a termination of tenancy for any of the following:

(i) An at-fault just cause, as defined in paragraph (1) of subdivision (b) of Section 1946.2 of the Civil Code.

(ii) (I) A no-fault just cause, as defined in paragraph (2) of subdivision (b) of Section 1946.2 of the Civil Code, other than intent to demolish or to substantially remodel the residential real property, as defined in subparagraph (D) of paragraph (2) of subdivision (b) of Section 1946.2.

(II) Notwithstanding subclause (I), termination of a tenancy based on intent to demolish or to substantially remodel the residential real property shall be permitted if necessary to maintain compliance with the requirements of Section 1941.1 of the Civil Code, Section 17920.3 or 17920.10 of the Health and Safety Code, or any other applicable law governing the habitability of residential rental units.

(iii) The owner of the property has entered into a contract for the sale of that property with a buyer who intends to occupy the property, and all the requirements of paragraph (8) of subdivision (e) of Section 1946.2 of the Civil Code have been satisfied.

(B) In an action under this paragraph, other than an action to which paragraph (2) also applies, the landlord shall be precluded from recovering COVID-19 rental debt in connection with any award of damages.

(b) (1) This section does not require a landlord to assist the tenant to relocate through the payment of relocation costs if the landlord would not otherwise be required to do so pursuant to Section 1946.2 of the Civil Code or any other law.

(2) A landlord who is required to assist the tenant to relocate pursuant to Section 1946.2 of the Civil Code or any other law, may offset the tenant's COVID-19 rental debt against their obligation to assist the tenant to relocate.

SEC. 19. Section 1179.04 of the Code of Civil Procedure is amended to read:

1179.04. (a) On or before September 30, 2020, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of September 1, 2020, have not paid one or more rental payments that came due during the protected time period:

"NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has enacted the COVID-19 Tenant Relief Act of 2020

which protects renters who have experienced COVID-19-related financial distress from being evicted for failing to make rental payments due between March 1, 2020, and January 31, 2021.

"COVID-19-related financial distress" means any of the following:

1. Loss of income caused by the COVID-19 pandemic.

2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

3. Increased expenses directly related to the health impact of the COVID-19 pandemic.

4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.

5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.

6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.

2. If you are unable to pay rental payments that come due between September 1, 2020, and January 31, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before January 31, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and January 31, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file which indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation which shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning February 1, 2021, if you owe rental payments due between September 1, 2020, and January 31, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

For information about legal resources that may be available to you, visit lawhelpca.org."

(b) On or before February 28, 2021, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of February 1, 2021, have not paid one or more rental payments that came due during the covered time period:

"NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has enacted the COVID-19 Tenant Relief Act which protects renters who have experienced COVID-19-related financial distress from being evicted for failing to make rental payments due between March 1, 2020, and June 30, 2021.

"COVID-19-related financial distress" means any of the following:

1. Loss of income caused by the COVID-19 pandemic.

2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

3. Increased expenses directly related to the health impact of the COVID-19 pandemic.

4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.

5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.

6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.

2. If you are unable to pay rental payments that come due between September 1, 2020, and June 30, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before June 30, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and June 30, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file which indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation which shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning July 1, 2021 if you owe rental payments due between September 1, 2020, and June 30, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

YOU MAY QUALIFY FOR RENTAL ASSISTANCE. In addition to extending these eviction protections, the State of California, in partnership with federal and local governments, has created an emergency rental assistance program to assist renters who have been unable to pay their rent and utility bills as a result of the COVID-19 pandemic. This program may be able to help you get caught up with past-due rent. Additionally, depending on the availability of funds, the program may also be able to assist you with making future rental payments.

While not everyone will qualify for this assistance, you can apply for it regardless of your citizenship or immigration status. There is no charge to apply for or receive this assistance.

Additional information about the extension of the COVID-19 Tenant Relief Act and new state or local rental assistance programs, including more information about how to qualify for assistance, can be found by visiting https://housingiskey.com or by calling 1-833-422-4255."

(c) The landlord may provide the notice required by subdivision (a) or (b), as applicable, in the manner prescribed by Section 1162 or by mail.

(d) (1) A landlord may not serve a notice pursuant to subdivision (b) or (c) of Section 1179.03 before the landlord has provided the notice required by subdivision (a) or (b), as applicable.

(2) The notice required by subdivision (a) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before September 30, 2020.

(3) The notice required by subdivision (b) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before February 28, 2021.

SEC. 20. Section 1179.04.5 is added to the Civil Code, to read:

1179.04.5. Notwithstanding Sections 1470, 1947, and 1950 of the Civil Code, or any other law, for the duration of any tenancy that existed during the covered time period, the landlord shall not do either of the following:

(a) Apply a security deposit to satisfy COVID-19 rental debt, unless the tenant has agreed, in writing, to allow the deposit to be so applied. Nothing in this subdivision shall prohibit a landlord from applying a security deposit to satisfy COVID-19 rental debt after the tenancy ends, in accordance with Section 1950.5 of the Civil Code.

(b) Apply a monthly rental payment to any COVID-19 rental debt other than the prospective month's rent, unless the tenant has agreed, in writing, to allow the payment to be so applied.

SEC. 21. Section 1179.05 of the Code of Civil Procedure is amended to read:

1179.05. (a) Any ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county in response to the COVID-19 pandemic to protect tenants from eviction is subject to all of the following:

(1) Any extension, expansion, renewal, reenactment, or new adoption of a measure, however delineated, that occurs between August 19, 2020, and June 30, 2021, shall have no effect before July 1, 2021.

(2) Any provision which allows a tenant a specified period of time in which to repay COVID-19 rental debt shall be subject to all of the following:

(A) If the provision in effect on August 19, 2020, required the repayment period to commence on a specific date on or before August 1, 2021, any extension of that date made after August 19, 2020, shall have no effect.

(B) If the provision in effect on August 19, 2020, required the repayment period to commence on a specific date after August 1, 2021, or conditioned commencement of the repayment period on the termination of a proclamation of state of emergency or local emergency, the repayment period is deemed to begin on August 1, 2021.

(C) The specified period of time during which a tenant is permitted to repay COVID-19 rental debt may not extend beyond the period that was in effect on August 19, 2020. In addition, a provision may not permit a tenant a period of time that extends beyond August 31, 2021, to repay COVID-19 rental debt.

(b) This section does not alter a city, county, or city and county's authority to extend, expand, renew, reenact, or newly adopt an ordinance that requires just cause for termination of a residential tenancy or amend existing ordinances that require just cause for termination of a residential tenancy, consistent with subdivision (g) of Section 1946.2, provided that a provision enacted or amended after August 19, 2020, shall not apply to rental payments that came due between March 1, 2020, and June 30, 2021.

(c) The one-year limitation provided in subdivision (2) of Section 1161 is tolled during any time period that a landlord is or was prohibited by any ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county in response to the COVID-19 pandemic to protect tenants from eviction based on nonpayment of rental payments from serving a notice that demands payment of COVID-19 rental debt pursuant to subdivision (e) of Section 798.56 of the Civil Code or paragraph (2) of Section 1161.

(d) It is the intent of the Legislature that this section be applied retroactively to August 19, 2020.

(e) The Legislature finds and declares that this section addresses a matter of statewide concern rather than a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this section applies to all cities, including charter cities.

(f) It is the intent of the Legislature that the purpose of this section is to protect individuals negatively impacted by the COVID-19 pandemic, and that this section does not provide the Legislature's understanding of the legal validity on any specific ordinance, resolution, regulation, or administrative action adopted by a city, county, or city and county in response to the COVID-19 pandemic to protect tenants from eviction.

SEC. 22. Section 1179.07 of the Code of Civil Procedure is amended to read:

1179.07. This chapter shall remain in effect until July 1, 2025, and as of that date is repealed.

SEC. 23. Section 925.6 of the Government Code is amended to read:

925.6. (a) Except as otherwise provided in subdivisions (b) and (e), the Controller shall not draw their warrant for any claim until the Controller has audited that claim in conformity with law and the general rules and regulations adopted by the department, governing the presentation and audit of claims. If the Controller is directed by law to draw their warrant for any purpose, the direction is subject to this section.

(b) Notwithstanding subdivision (a), the Assembly Committee on Rules, the Senate Committee on Rules, and the Joint Rules Committee, in cooperation with the Controller, shall adopt rules and regulations to govern the presentation of claims of the committees to the Controller. The Controller, in cooperation with the committees, shall adopt rules and regulations governing the audit and recordkeeping of claims of the committees. All rules and regulations shall be adopted by January 31, 1990, shall be published in the Assembly and Senate Journals, and shall be made available to the public.

(c) Rules and regulations adopted pursuant to subdivision (b) shall not be subject to the review by or approval of the Office of Administrative Law.

(d) Records of claims kept by the Controller pursuant to subdivision (b) shall be open to public inspection as permitted by the

California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1).

(e) (1) Notwithstanding subdivision (a), the Controller shall draw their warrant for any claim submitted by the Department of Housing and Community Development to advance the payment of funds to a vendor selected pursuant to Section 50897.3 of the Health and Safety Code, based on approved applicants associated with Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code. Funds made available for advance payment pursuant to this subdivision shall not exceed 25 percent of the original amount allocated for the program described in Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code at any given time.

(2) The vendor described in paragraph (1) shall be the fiscal agent on behalf of the Department of Housing and Community Development and shall be responsible for maintaining all records of claims for audit purposes.

(3) Unless otherwise expressly provided, this subdivision shall remain operative so long as funds are made available pursuant to Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code or as otherwise provided under federal law.

SEC. 24. Chapter 17 (commencing with Section 50897) is added to Part 2 of Division 31 of the Health and Safety Code, to read:

CHAPTER 17. State Rental Assistance Program

50897. For purposes of this chapter:

(a) "City" means a city or a city and county. For purposes of this chapter, a city may be organized either under the general laws of this state or under a charter adopted pursuant to Section 3 of Article XI of the California Constitution.

(b) "County" means a county, including a county organized under a charter adopted pursuant to Section 3 of Article XI of the California Constitution, or a city and county.

(c) "Department" means the Department of Housing and Community Development.

(d) "Eligible household" has the same meaning as defined in Section 501(k)(3) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(e) "Federally recognized tribe" means an Indian tribe, as described in Section 501(k)(2)(C) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(f) "Funding target" means an allocation goal within a reservation pool to guide outreach and disbursement of funds to achieve the program's policy goals within a geographic reservation pool.

(g) "Grantee" means a locality or a federally recognized tribe that participates in a rental assistance program pursuant to this chapter.

(h) "Locality" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(i) "Program" means the process for awarding funds for state rental assistance pursuant to this chapter, as provided in Section 50897.2 or 50897.3, as applicable.

(j) "Program implementer" means the contracted vendor selected to administer emergency rental assistance under the program pursuant to paragraph (1) of subdivision (a) of Section 50897.3.

(k) "Prospective rent payment" means a rent payment eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(l) "Rental arrears" means rental arrears eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(m) "Reservation pool" means the amount of program funds set aside for a select geographic area.

(n) "State reservation table" means the methodology of distributing the state's portion of funding received from Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and allocated among the following components:

(1) No more than 10 percent for state administration.

(2) One hundred fifty million dollars ($150,000,000) total set aside for smaller counties with a population less than 200,000, allocated based on proportional share of population from the 2019 federal census data.

(3) The remainder of the state allocation distributed to eligible localities with a population 200,000 or greater, based on their proportional share of population from the 2019 federal census data.

(o) "Utilities" means utilities and home energy costs eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

50897.1. (a) (1) Funds available for rental assistance pursuant to this chapter shall consist of state rental assistance funds made available pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and shall be administered by the department in accordance with this chapter and applicable federal law.

(2) Each locality described in Section 50987.2 shall receive an allocation of rental assistance funds, calculated in accordance with the state reservation table.

(3) Except as otherwise provided in this chapter, funds available for rental assistance administered pursuant to Section 50897.3 shall consist of state rental assistance funds calculated pursuant to the state reservation table.

(b) Funds provided for and administered pursuant to this chapter shall be used in a manner consistent with federal law, including the prioritization of assistance specified Section 501(c)(4) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260). In addition, in providing assistance pursuant to this chapter, the department and, if applicable, the program implementer shall prioritize communities disproportionately impacted by COVID-19, as determined by the department. State prioritization shall be as follows:

(1) Round one priority shall be eligible households, as specified in Section 501(c)(4) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), to expressly target assistance for eligible households with a household income that is less than 50 percent of the area median income.

(2) Round two priority shall be communities disproportionately impacted by COVID-19, as determined by the department.

(3) Round three priority shall be eligible households that are not otherwise prioritized as described in paragraphs (1) and (2), to expressly include eligible households with a household income that is less than 80 percent of the area median income.

(c) (1) Except as otherwise provided in paragraph (2), eligible uses for funds made available to a grantee under this chapter shall be as follows:

(A) Rental arrears.

(B) Prospective rent payments.

(C) Utilities, including arrears and prospective payments for utilities.

(D) Any other expenses related to housing as provided in Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(2) For purposes of stabilizing households and preventing evictions, rental arrears shall be given priority for purposes of providing rental assistance pursuant to this chapter.

(3) Remaining funds not used as described in paragraph (2) may be used for any eligible use described in subparagraphs (B), (C), and (D) of paragraph (1).

(d) A grantee may provide payment of rental arrears directly to a landlord on behalf of an eligible household by entering into an agreement with the landlord, subject to both of the following:

(1) Assistance for rental arrears shall be limited to compensation of 80 percent of an eligible household's unpaid rental debt accumulated from April 1, 2020, to March 31, 2021, inclusive, per eligible household.

(2) (A) Acceptance of a payment made pursuant to this subdivision shall conditioned on the landlord's agreement to accept the payment as payment in full of the rental debt owed by any tenant within the eligible household for whom rental assistance is being provided for the specified time period. The landlord's release of claims pursuant to this subparagraph shall take effect only upon payment being made to the landlord pursuant to this subdivision.

(B) The landlord's agreement to accept payment pursuant to this subdivision as payment in full, as provided in subparagraph (A), shall include the landlord's agreement to release any and all claims for nonpayment of rental debt owed for the specified time period, including a claim for unlawful detainer pursuant to paragraph (2) and (3) of Section 1161 of the Code of Civil Procedure, against any tenant within the eligible household for whom the rental assistance is being provided.

(C) For purposes of this paragraph:

(i) "Rental debt" includes rent, fees, interest, or any other financial obligation under a lease for use and occupancy of the leased premises, but does not include liability for torts or damage to the property beyond ordinary wear and tear.

(ii) "Specified time period" means the period of time for which payment is provided, as specified in the agreement entered into with the landlord.

(e) If a landlord refuses to participate in a rental assistance program for the payment of rental arrears, as described in subdivision (d), a member of an eligible household may apply for rental arrears assistance from the grantee. Assistance for rental arrears pursuant to this subdivision shall be limited to compensation of 25 percent of the eligible household's unpaid rental debt accumulated from April 1, 2020, to March 31, 2021, inclusive.

(f) Funds used to provide assistance for prospective rent payments for an eligible household shall not exceed 25 percent of the eligible household's monthly rent.

(g) An eligible household that receives assistance pursuant to subdivision (e) shall receive priority in providing assistance for the eligible uses specified in subparagraphs (B), (C), and (D) of paragraph (1) of subdivision (c).

(h) Assistance provided under this chapter shall be provided to eligible households or, where applicable, to landlords on behalf of eligible households that are currently housed and occupying the residential unit for which the assistance is requested at the time of the application.

(i) For purposes of the protections against housing discrimination provided under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2 of the Government Code), assistance provided under this chapter shall be deemed to be a "source of income, as that term is defined in subdivision (i) of Section 12927 of the Government Code.

(j) (1) Notwithstanding any other law, except as otherwise provided in subdivision (i), assistance provided to an eligible household for a payment as provided in this chapter or as provided as a direct allocation to grantees from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) shall not be deemed to be income for purposes of the Personal Income Tax Law (Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code) or used to determine the eligibility of an eligible household, or any member of an eligible household, for any state program or local program financed wholly or in part by state funds.

(2) Notwithstanding any other law, for taxable years beginning on or after January 1, 2020, and before January 1, 2025, gross income shall not include a tenant's rent liability that is forgiven by a landlord as provided in this chapter or as rent forgiveness provided through funds grantees received as a direct allocation from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(k) The department may adopt, amend, and repeal rules, guidelines, or procedures necessary to carry out the purposes of this chapter, including guidelines regarding the administration of federal rental assistance funds received under Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) that are consistent with the requirements of that federal law and any regulations promulgated pursuant to that federal law. The adoption, amendment, or repeal of rules, guidelines, or procedures authorized by this subdivision is hereby exempted from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(l) Any interest that the state, a locality, or, if applicable, the program implementer derives from the deposit of funds made available pursuant to this chapter or pursuant to subdivision (e) of Section 925.6 of the Government Code shall be used to provide additional assistance under this chapter.

(m) Upon notification from the Director of Finance to the Joint Legislative Budget Committee that additional federal rental assistance resources have been obtained, that assistance may be deployed in a manner consistent with this chapter. Any statutory provision established by subsequent federal law specific to the administration of those additional resources shall supersede the provisions contained in this chapter to the extent that there is a conflict between those federal statutory provisions and this chapter. Consistent with the authority provided in subdivision (l), to implement future federal rental assistance, the department shall make corresponding programmatic changes to effectuate the program in compliance with federal law.

(n) Notwithstanding any other law, a third party shall be prohibited from receiving compensation for services provided to an eligible household in applying for or receiving assistance under this chapter, except that this prohibition shall not apply to any contracted entity that renders those services upon the express authorization by the department, the program implementer, or a locality.

(o) Assistance provided under this chapter shall include a receipt that provides confirmation of payment or forgiveness, or both payment and forgiveness, as applicable, that has been made. The receipt shall be provided to both the eligible household and the landlord.

50897.2. (a) (1) A locality that has a population of 500,000 or greater shall be eligible to receive a block grant allocation from the department.

(2) A locality with a population of 499,999 or less, but greater than 200,000, may request an allocation of block grant funds pursuant to this section, in the form and manner prescribed by the department. The department shall grant a request for an allocation of block grant funds pursuant to this paragraph if the locality attest and, in the department's judgment, demonstrates that it has established a program consistent with the requirements of this chapter and has the capability to implement the resources provided in accordance with applicable state and federal law, including this chapter and Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(3) A locality that is not eligible for, or does not receive, an allocation of block grant funds pursuant to this section shall receive its proportionate share of funds in accordance with the state reservation table, as provided in Section 50897.3.

(4) Any locality that receives a block grant pursuant to this section shall attest to the department, in the form and manner prescribed by the department, that it will distribute assistance equitably and consistent with demonstrated need within the jurisdiction.

(5) To receive funds pursuant to this section, an applicant shall agree to utilize its direct allocation of assistance from the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) in a manner consistent with this chapter. Refusal to comply with this paragraph shall result in the applicant being prohibited from receiving state block grant funds and may result in the department recouping block grant funds that are spent in a manner inconsistent with this chapter.

(6) A locality that receive funds pursuant to this section shall not institute additional programmatic requirements that may inhibit participation in the rental assistance program.

(7) A locality that applies for assistance under this section may apply for an award allocation through an authorized representative, without its legislative body expressly adopting an ordinance or resolution authorizing that application, provided that it later authorizes a representative of the eligible grantee with legal authority to bind the eligible grantee to the terms and conditions of the award before executing the agreement with the department.

(8) The department shall allocate all funds made available for purposes of this section, in consultation with the Department of Finance. The initial allocation shall be completed and shared no later than February 19, 2021.

(b) Block grant funds allocated pursuant to this section shall be used for those eligible uses and compensation requirements specified in, and subject to the applicable requirements of, Section 50897.1.

(c) The deadlines for the allocation and use of block grant funds pursuant to this section shall be as follows:

(1) A locality shall request that allocation from the department no later than February 12, 2021. If a locality fails to request that allocation by that date, the moneys that would have otherwise been allocated to that locality shall instead be used to provide assistance in accordance with Section 50897.3.

(2) A grantee that receives block grant funds under this section shall contractually obligate at least 65 percent of those funds by June 1, 2021.

(3) A grantee that receives block grant funds under this section shall expend the full amount of that allocation by August 1, 2021.

(d) (1) (A) Subject to subparagraph (B), if a grantee that receives block grant funds under this section fails to contractually obligate the minimum amount of those funds by the deadline specified in paragraph (2) of subdivision (c), or to expend the full amount of that allocation by the deadline specified in paragraph (3) of subdivision (c), the grantee shall repay to the department any unused amount of block grant funds allocated to it not contractually obligated or expended.

(B) The department may waive the requirement to repay funds pursuant to subparagraph (A) if the grantee demonstrates, to the satisfaction of the department, that it will contractually obligate and expend any unused block grant funds allocated to it within the timeframes specified in federal law.

(2) The department may reallocate any funds repaid pursuant to paragraph (1) for purposes of this section. In reallocating those funds, the department shall prioritize allocating additional funding to the state rental assistance program provided in Section 50897.3 for localities that have expended at least 50 percent of their state reservation pool allocations as of June 1, 2021.

(3) Upon a finding by the department that the conditions specified in paragraph (2) are not met, the department may allocate those funds to localities that received block grant assistance pursuant to this section, provided they have expended at least 50 percent of their funds at the time of application and have a demonstrated need.

(e) A grantee participating in the program pursuant to this section shall enter into a standard regulatory agreement with the department that includes terms and conditions consistent with the requirements set forth in this section.

(f) A grantee that receives an allocation of block grant funds pursuant to this section shall be solely responsible for compliance with all applicable management, implementation, and reporting requirements established under state and federal law.

50897.3. (a) (1) (A) The department may contract with a vendor to serve as the program implementer to manage and fund services and distribute emergency rental assistance resources pursuant to this section. A vendor selected to serve as program implementer shall demonstrate sufficient capacity and experience to administer a program of this scope and scale.

(B) The program implementer shall have existing relationships with community-level partners to ensure all regional geographies and target communities throughout the state have access to the program.

(C) (i) The program implementer shall have the technological capacity to develop and to implement a central technology-driven application portal and system that serves landlords and tenants, has mobile and multilanguage capabilities, and allows an applicant track the status of their application. The application system shall have the capacity to handle the volume of expected use without disruption.

(ii) The system shall begin accepting applications no later than March 15, 2021 and be available 24 hours a day, seven days a week, with 99 percent planned uptime rating.

(iii) The system shall support, at minimum, a database of 1,000,000 application records.

(iv) The system shall support at minimum 20,000 concurrent full-access users, allowing users to create, read, update and delete transactions based upon their user role.

(D) (i) The program implementer shall demonstrate experience with developing and managing direct payment or grant programs, or direct payment and grant programs, including, but not limited to, program and application development, outreach and marketing, translation and interpretation, fraud protections and approval processes, secure disbursement, prioritizing the use of direct deposit, customer service, compliance, and reporting.

(ii) The program interface shall include, but not be limited to, the following:

(I) Capability such that either the landlord or the tenant may initiate an application for assistance and that both parties are made aware of the opportunity to participate in the rental assistance program and accept the program parameters.

(II) Appropriate notifications to ensure that both parties understand that rental assistance is awarded in rounds of funding based on eligibility and that the eligible household is reminded that payment is ultimately being provided directly to the landlord, but the payment will directly address the eligible household's rental arrears or prospective rent, as applicable.

(III) Notification to both parties, including the landlord and the eligible household, respectively, of the initiation and completion of the application process, whether the process is initiated by the landlord or the eligible household. Upon payment, the program implementer shall provide an electronic record that payment has been made and keep all records available for the duration of the program, or as otherwise provided under state or federal law.

(E) The program implementer shall be able to manage a technology-driven duplication of benefits process in compliance with federal law.

(F) The program implementer shall comply with all state protections related to the use of personally identifiable information, including providing any necessary disclosures and assuring the secure storage of any personally identifiable information generated, as part of the application process.

(G) The program implementer shall coordinate its program activities with education and outreach contractors and any affiliated service or technical assistance providers, including those that reach non-English speaking and hard-to-reach households, with considerations for racial equity and traditionally underserved populations.

(2) The department may establish a contract with an education and outreach contractor to conduct a multilingual statewide campaign to promote program participation and accessibility.

(3) In accordance with paragraphs (1) and (2), the department shall seek contracted solutions that minimize total administrative costs, such that savings may be reallocated for use as direct assistance.

(4) The department may receive rental assistance program funding from localities or federally recognized tribes to administer on their behalf in a manner consistent with this chapter.

(b) (1) (A) A county with a population less than or equal to 200,000 and any locality that is eligible for, but did not receive, a direct allocation of assistance from the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) shall receive assistance pursuant to the state reservation table, to be administered in accordance with this section.

(B) A locality that was eligible for, but did not receive, a direct allocation of assistance from the Secretary of the Treasury pursuant to Section 501 of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and was eligible for, but did not receive, block grant assistance under Section 50897.2 shall receive its proportionate share of assistance, as determined by the state reservation table, to be administered in accordance with this section.

(2) (A) A locality that was eligible for, but did not receive, block grant funds pursuant to Section 50897.2, and has elected to administer its direct share of assistance provided under Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), shall have its proportionate share of block grant funds administered pursuant to this section.

(B) To minimize legal liability and potential noncompliance with federal law, specifically those violations described in Section 501(k)(3)(B) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), the department, or, if applicable, the program implementer, may request that localities described in this paragraph enter into a data sharing agreement for the purpose of preventing unlawful duplication of rental assistance to eligible households. Notwithstanding any other law, localities that enter into a data sharing agreement as required by this subparagraph may disclose personally identifying information of rental assistance applicants to the department or the program implementer for the purposes described in this subparagraph.

(C) Except as otherwise provided in subparagraph (B), a locality that is subject to assistance provided under this paragraph and received a direct allocation from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) shall not be eligible for administrative and technical assistance provided by the department, including, but not limited to, support for long-term monitoring and reporting.

(D) The state, the department, or the program implementer acting on behalf of the department, shall be indemnified from liability in the administration of assistance pursuant to this paragraph, specifically any violation described in Section 501(k)(3)(B) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(3) To the extent permitted by federal law, a locality that elects to participate in the program as provided in this section, and that received rental assistance funding directly from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), shall add those funds received directly from the Secretary of the Treasury and any share of rental assistance funding provided pursuant to Section 50897.2 to the funds allocated to it pursuant to this section. Except as otherwise provided in paragraph (1) of subdivision (d), the total amount of funds described in this subparagraph shall be used by the grantee in accordance with this section. Participation shall be conditioned upon having an executed standard agreement with the Department.

(4) To the extent permitted by federal law, a federally recognized tribe that receives rental assistance funds directly from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) may add its direct federal allocation of funds to be administered pursuant to this section. Participation shall be conditioned upon having an executed standard agreement with the department.

(5) The department may establish additional funding targets within the reservation pool to support an equitable distribution that targets eligible households most impacted by COVID-19.

(c) Funds allocated pursuant to this section shall be used for those eligible uses specified in, and subject to the applicable requirements of, Section 50897.1.

(d) (1) Except as otherwise provided in paragraph (3), a grantee that receives funds pursuant to this section shall contractually obligate those funds no later than July 31, 2021. The department may, in its discretion, reallocate any funds allocated to a grantee that are not contractually obligated by that date to other grantees participating in the program that have expended at least 50 percent of their reservation pools or have an oversubscribed application list for rental assistance.

(2) In reallocating funds pursuant to this subdivision, the department or, if applicable, the program implementer acting on behalf of the department shall prioritize reallocating those unused funds to provide financial assistance for rental arrears accumulated on or after April 1, 2020, and before the expiration of the program.

(3) Funds administered on behalf of a federally recognized tribe as provided in paragraph (4) of subdivision (b) are not subject to the requirements of this subdivision.

(e) (1) In any legal action to recover rent or other financial obligations under the lease that accrued between April 1, 2020, and June 30, 2021, before entry of any judgment in the plaintiff's favor, the plaintiff shall verify both of the following under penalty of perjury:

(A) The landlord has not received rental assistance or other financial compensation from any other source corresponding to the amount claimed.

(B) The landlord does not have any pending application for rental assistance or other financial compensation from any other source corresponding to the amount claimed.

(2) In any unlawful detainer action seeking possession of residential rental property based on nonpayment of rent or any other financial obligation under the lease, the court shall not enter a judgment in favor of the landlord unless the landlord verifies all of the following under penalty of perjury:

(A) That the landlord has not received rental assistance or other financial compensation from any other source corresponding to the

amount demanded in the notice underlying the complaint.

(B) That the landlord has not received rental assistance or other financial compensation from any other source for rent accruing after the date of the notice underlying the complaint.

(C) That the landlord does not have any pending application for rental assistance or other financial compensation from any other source corresponding to the amount demanded in the notice underlying the complaint.

(D) That the landlord does not have any pending application for rental assistance or other financial compensation from any other sources for rent accruing after the date of the notice underlying the complaint.

(f) Notwithstanding any other state or local law, policy, or ordinance, for purposes of ensuring the timely implementation of resources pursuant to this section, a locality that has a population greater than 200,000 may enter into an agreement with the department to have its share of funds administered pursuant to this section by the department and may redirect those funds to the department for that purpose.

50897.4. (a) Each grantee under Section 50897.2 or 50897.3, as applicable, shall provide to the department information relating to all applicable performance metrics, as determined by the department.

(b) Funds provided to a grantee under this chapter shall be subject to the same reporting and verification requirements specified in Section 501(g) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260). The grantee shall, in addition, provide any other information that the department deems necessary for purposes of this chapter, including, but not limited to, weekly funding obligation, expenditure, and projection reports.

(c) To the extent feasible, each grantee shall ensure that any assistance provided to an eligible household under this chapter is not duplicative of any other state-funded rental assistance provided to that eligible household.

(d) (1) The department shall submit to the Joint Legislative Budget Committee, on a monthly basis for the duration of the program, a report that provides programmatic performance metrics for funds administered pursuant to this chapter. The report shall include, at minimum, the following information:

(A) Obligation of funds for assistance provided under this chapter.

(B) Expenditure of funds for assistance provided under this chapter.

(C) Expenditure by eligible uses for assistance provided pursuant to this chapter.

(D) Reallocation of funds, if any, for assistance provided pursuant to this chapter.

(E) Geographic distribution of funds provided pursuant to Section 50897.3.

(F) For the first monthly report submitted pursuant to this section only, an overview of which jurisdictions have elected to participate in the state rental assistance programs as provided in Sections 50897.2 and 50897.3, respectively.

(2) A report required to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

50897.5. (a) (1) Item 2240-102-0890 of the Budget Act of 2020, appropriated to the Department of Housing and Community Development, is hereby augmented by appropriating the sum of one billion five hundred million dollars ($1,500,000,000) from the Federal Trust Fund for the purposes of implementing the state rental assistance program provided under this chapter.

(2) The amount appropriated in paragraph (1) may be adjusted in accordance with additional funding the state receives for the rental assistance program in accordance with paragraphs (3) and (4) of subdivision (b) of Section 50897.3.

(b) The department may expend up to 10 percent of the funds appropriated pursuant to this section for the costs of administering the state rental assistance program in accordance with this chapter.

50897.6. It is the intent of the Legislature that the state closely monitor the usage of funding pursuant to this chapter to ensure that the program is stabilizing households and preventing evictions.

SEC. 25. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 26. The Legislature finds and declares that Sections 11 and 13 of this act, which amend Sections 1161.2 and 1161.2.5, respectively, of the Code of Civil Procedure, impose a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need

for protecting that interest:

This act balances the public's right to access records of judicial proceedings with the need to protect the privacy of tenants facing financial distress due to COVID-19.

SEC. 27. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 28. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

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