

AB 3088 (Chiu) COVID-19 Tenant Relief Act of 2020



Effective Period: Through February 2025 (eviction provisions end February 1, 2021)

Scope/Applies: Statewide; all residential rental tenants, including single-family, mobile homes, ADUs

Creates a legal framework to address COVID-19-related non-payment of rent and related evictions.

- **Tenants responsible for paying unpaid rent** – but debt is converted to **consumer debt** and settled in small claims court, rather than the standard unlawful detainer process. Therefore, non-payment of rent due to eligible COVID-19-related hardships are not evictionable offenses.
- **Temporarily expands small claims court jurisdiction** in any action for COVID-19 rental debt regardless of the amount demanded until February 1, 2025.
- **Penalties:** \$100-2500 fine for landlords that attempt to evict tenants outside of the required court process.

Eviction Restrictions

- **Tenants with COVID-19 financial hardships may not be evicted for non-payment of rent until February 2021.**
 - **Unpaid rent and other obligations accrued between March 1, 2020 and August 31, 2020** are converted to consumer debt and cannot form the basis for an eviction ever.
 - **Unpaid rent and other obligations accrued between September 1, 2020 and January 31, 2021** cannot form the basis for an eviction until after January 31, 2021. If the tenant pays 25%+ of any amount that the landlord demands after it comes due, the remaining unpaid balance is converted to consumer debt and cannot form the basis for an eviction ever.
- Evictions for causes other than COVID-19-related non-payment of rent can proceed **September 2, 2020**.

What constitutes COVID-19-related financial hardship/distress?

- Loss of income caused by the COVID-19 pandemic.
- Increased out-of-pocket expenses directly related to performing essential work during COVID-19 pandemic.
- Increased expenses directly related to the health impact of the COVID-19 pandemic.
- 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.
- Increased costs caring for children, elderly, disabled, or sick family member directly related to COVID-19.
- Other circumstances related to COVID-19 that reduced a tenant's income or increased a tenant's expenses.

Notices Required

- All tenants must be notified of AB 3088 provisions by **September 30, 2020**.
- Extends eviction notice period **from 3 to 15 business days**; tenants can then elect to pay, vacate, or provide a signed declaration of hardship.

Documentation: Tenants must declare under penalty of perjury that they are experiencing a COVID-19 financial hardship/distress; no other documentation required, except for "higher-income" tenants. Those earning over \$100,000/year per household, or over [130% of area median income](#) must provide documentation for protections.

Sonoma = \$102,700

Napa = \$109,200

Mendocino = \$70,700

Lake = \$70,700

Creates the COVID-19 Small Landlord and Homeowner Relief Act of 2020

- **No mortgage relief** (financial assistance or protection from foreclosure).
- **Extends Homeowners Bill of Rights (HOBR) to small landlords (those owning no more than 4 units) until January 1, 2023.** If a few mortgage payments are missed, mortgage servicers required to contact borrowers to

discuss options before initiating foreclosure. Prohibits “dual tracking,” mortgage servicer must halt foreclosure process if borrower is being evaluated for loan modification.

- Requires mortgage servicers to provide written notice to borrower if forbearance is denied between AB 3088 effective date and April 1, 2021.
- Requires mortgage servicer to comply with federal guidance regarding COVID-19 forbearance.

Local Ordinances: Local ordinances effectively frozen until February 1, 2021. Local ordinances remain in place until they expire; but any local actions that occur after August 19, 2020 cannot take effect before February 1, 2021. Specific guidelines if repayment plans are in place at the local level, but none can extend beyond March 31, 2022.

CA STATE SENATE OVERVIEW

[AB 3088 \(Chiu\)](#) provides a pathway for tenants enduring financial hardship due to COVID-19 to remain in their homes through the end of **January 2021**. The bill does not forgive or cancel any payment obligations under the lease. Depending on the circumstances, some or all of the unpaid amount turns into consumer debt, meaning that landlords can sue tenants for failing to pay rent and can use standard legal methods to collect it. However, the unpaid amount cannot serve as a basis for eviction.¹

September 2, 2020 to October 4, 2020

- The Judicial Council’s ban on most unlawful detainer proceedings expires and landlords may proceed with lawful eviction cases – except for non-payment of rent as described in AB 3088.
- The one exception is that landlords can only evict to demolish or substantially remodel a unit if necessary to address serious problems with the basic conditions of the unit.
- Eviction cases cannot proceed until October 5, 2020 if the grounds are for non-payment of rent.

October 5, 2020 to January 31, 2021

- Evictions for all just causes, including non-payment of rent may proceed. However, tenants with COVID-19-related financial hardships may not be evicted for non-payment of rent until February 2021.
- Landlords must serve notice giving 15-business day window to either pay the demanded amount, vacate the unit, or sign/return the declaration to the landlord.
- **For unpaid rent accrued between March 1, 2020 and August 31, 2020**, the declaration permanently protects tenant against eviction and that debt is converted to consumer debt. The landlord may sue to collect that back rent, but cannot use it as a basis for eviction.
- **For unpaid rent accrued between September 1, 2020 and January 21, 2021**, the declaration only protects the tenant against eviction until February 1, 2021. However, if the tenant returns the signed hardship declaration, and manages to pay at least 25% of rent due for September 1, 2020 to January 31, 2021, then the tenant is permanently protected against eviction for failure to pay the balance. The balance is converted to consumer debt and the tenant can be sued if they do not pay it back voluntarily.

February 1, 2020 – Forward

- Tenants bound by pre-COVID-19 rules related to payment of rent and other obligations under the lease.
- Following a 3-day notice, tenants may be evicted for non-payment of rent. For mobile home owners, the 3-day window to pay or vacate cannot start until 5 days after the rent is due, and they are entitled to a 60-day notice.

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¹ [CA State Senate Judiciary Committee Analysis](#)