

AB-1482 Frequently Asked Questions

When does the bill become effective?

AB-1482 went into effect January 1, 2020, and it expires on January 1, 2030. The rent cap provisions of AB-1482 are retroactive from March, 15, 2019.

What type of dwelling units are covered by and exempted from AB-1482?

All dwelling units for rent in California are covered by this bill except the following:

Units exempt from rent cap and just cause evictions:

- Single family residences (only if the owner is not a corporation, a real estate investment trust (REIT), or a limited liability corporation (LLC) in which one member is a corporation, and the tenant has received written notice that the unit is exempt.
- Housing built within the last 15 years, including accessory dwelling units (ADUs).
- A duplex in which the owner occupies one of the units
- Housing that is deed restricted, regulatory restrictions, or other recorded document limiting the affordability to low- or moderate-income households
- Mobile homes
- Dormitories

Units exempt only from the rent cap:

- Dwelling units that are subject to a local rent control ordinance that restricts the rent to less than CPI + 5%. [City of Alameda]

Units exempt only from just cause:

- Single-family, owner-occupied residences where the owner rents up to two bedrooms, including ADUs and junior accessor dwelling units.
- Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner, if the owner lives at the property as their principal residence.
- Housing provided by a nonprofit hospital, church, care facility, or adult residential facility.
- Hotels
- Dwelling units that are subject to a local just cause eviction ordinance enacted prior to September 2019. [Emeryville, Union City, and Hayward]

How do you know if the dwelling unit is deed restricted or affordable housing?

Use the Assessor's website provided by your County and enter the address on the property search engine to determine the property's legal classification. In addition, contact the City's or County's Housing Department to inquiry about the classification status of the property in question. For low-income tax credit properties (LITC), contacting the CA Tax Credit Allocation Committee to validate that a property is, in fact, a low-income tax credit property subject to regulatory restrictions.

What is the rent cap allowed by AB-1482?

The maximum increase allowed within a 12-month period is 5% + CPI, or 10%, whichever is lower. CPI is the consumer price index determined by CA Department of Industrial Relations. Currently the maximum increases are allowed for the following counties:

- Alameda County: 9.01%
- Contra Costa County: 9.01%
- Monterey County: 8.3%

How often can the rent be raised?

For units protected under AB-1482, the rent can be raised twice in a 12-month period, if the increases do not exceed the rent cap of 5% + CPI, cumulatively.

What if my landlord raised the rent above the cap before the bill became effective?

Any rent increases on or after March 15, 2019, that exceeds the maximum allowable increase must be reset on January 1, 2020. For example, if you received a rent increase of 12% living in Alameda County effective October 2019, then beginning January 1, 2020 your rent increase will be decreased to the base rent plus 9.01%.

Is a landlord required to reimburse tenants for overpayment of rent increases beyond the cap after January 1, 2020?

The landlord does not have to repay the tenant for rent paid above the allowable increase between March 15, 2019, and January 1, 2020.

Can a landlord raise the rent beyond the cap after a tenant moves out?

There is no vacancy control under the bill. As a result, a landlord can raise the rent beyond the rent cap for new tenants occupying the dwelling unit.

If a landlord decides to do improvements or upgrades to the dwelling unit can they pass those costs to tenants?

Landlords are only able to pass costs that are within the maximum allowable rent increase.

When is a landlord allowed to evict a tenant?

AB-1482 stipulates that landlords are required to provide a specific and allowable reason to evict a tenant. As a result, this action is called a “just cause” eviction. If the landlord does not have one of these reasons to justify the eviction, then attempting to evict the tenant would be unlawful.

The just causes for eviction fall under two categories: “at fault” eviction or “no fault” eviction.

“At Fault” reasons include:

- Not paying the rent;
- Breaching a material term of the lease (see Section 1161 of the Code of Civil Procedures) including violation of a provision of the lease after being issued a written notice to correct the violation;
- Committing a nuisance on the property (see Section 1161 of the Code of Civil Procedures);
- Tenant has refused to execute a written extension or renewal of the lease with similar provisions;
- Illegally subletting the unit;
- Refusing to allow the owner to enter the unit after a proper 24-hour written notice has been provided;
- Committing a criminal act on the property;
- Employee who occupies an employee-use unit fails to vacate the unit after termination of employment

“No Fault” reasons include:

- If a landlord wants to move into the unit or move in a family member (spouse, domestic partner, children, grandchildren, parents, or grandparents);
- If a landlord plans to take the unit off the rental market;
- There is an order issued by a government agency or court relating to the habitability of the dwelling unit that requires it to be vacated;
- If a landlord intends to demolish or substantially remodel the unit such that is uninhabitable for at least 30 days (but the landlord must have the proper permits to do so and cosmetic repairs will not qualify).

What does “substantially remodel” mean?

Substantially remodel means the replacement or modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency and would require the tenant to vacate the dwelling unit for at least 30 days.

What would not be considered substantially remodeling?

Cosmetic improvements alone such as painting, decorating, and minor repairs that could be performed without have tenants vacating a dwelling unit.

Why is “At Fault” and “No Fault” causes for eviction needed to be distinguished?

AB-1482 stipulates that for instances of “no fault” evictions, the landlord must provide tenants with relocation benefits equal to one month’s rent. If it is determined by a government agency or court that a tenant is at fault for the conditions relating to habitability of the dwelling unit then the landlord is not required to provide relocation benefits.

When do the just cause provisions apply? Is there a grace period during which a tenancy can be terminated without cause?

The just cause protections do not apply until a tenant has been renting a dwelling unit continuously for 12 months. If during the first 24 months, the tenant adds a new tenant to the lease, the just cause does not apply until either one of the following:

1. Any one tenant has been living in the unit for 24 months; OR
2. All of the tenants have been in the unit for at least 12 months.

How are relocation benefits provided to tenants?

Landlords can provide relocation benefits to tenants when the reason for termination of a tenancy either by:

1. Waive in writing the payment of rent for the final month of tenancy prior to the rent becoming with the notice stating the amount of rent waived and that no rent is due for the final month of the tenancy; OR
2. Delivered directly to the tenant within 15 days of service of the notice of termination of tenancy.

Does AB-1482 only apply to month-to-month tenancies?

No, the bill protects both month-to-month AND fixed leases if it is covered unit. The expiration of a lease alone is not cause for eviction.

Are there required notices a tenant must receive under AB-1482?

Tenants in covered units must receive a notice explaining the just cause eviction and rent cap

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protections. For a tenancy existing prior to July 1, 2020, the notice must be provided in writing to the tenant no later than August 1, 2020, or as an addendum to the lease or rental agreement. For any tenancy commenced on or after July 1, 2020, the notice must be provided to tenants. The notice language must read:

“California law limits the amount your rent can be increased. See Section 1947.12 of the Civil Code for more information. California law also provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more, a landlord must provide a statement of cause in any notice to terminate a tenancy. See Section 1946.2 of the Civil Code for more information.”

What if a tenant occupies a unit exempt from AB-1482 are there required notices to be served to tenants?

Yes, a landlord claiming an exemption must provide a written notice to the tenant stating they are exempt from AB-1482. If the owner does not provide the required notice that the dwelling unit is exempt, then the property is NOT exempt from AB-1482.

The notice language must read:

“This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12(d)(5) and 1946.2(e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation.”

What should a tenant do if they think their landlord has raised the rent higher than the cap and/or trying to terminate their tenancy and evict the tenant without just cause?

Tenants should contact ECHO Housing at 510-581-9380 to be directed to the appropriate Housing Counselor.

What protections are provided for dwelling units exempted from AB-1482?

Under **AB-1110**, any notice of rent increase requires a **90 days’ notice** if a landlord intends to increase the rent by more than 10% of base rent. This bill would apply to month-to-month tenancies and those units exempted from AB-1482 rent cap.