

2020 NEW LEASING LAWS



2020 Leasing Law Changes

- Increased Notice Requirements for Rent Increases
- New Section 8 Restrictions
- Deposit Restrictions for Active Military
- Anti-discrimination of Military and Veterans
- Family Day-Care Homes Treated as Residential



Rent increase above 10% requires 90-day notice



- 90-day notice for rent increase above 10% in any 12-month period (Previously 60 days)
- Combine all rent increases within the previous 12 months for calculation
- Rent increases of 10% or less remain at 30 days notice
 - Example:
6% rent increase in January – 30 days
 - 6% additional rent increase in July – 90 days
- Use form CTT, Change in Terms of Tenancy

AB 1110

Mandatory Section 8

What is Section 8?

Government housing assistance program for low-income tenants. Tenants typically pay 30% or less of the rent. The housing authority pays the rest.

- Both the landlord and property need to be approved
- Property must be inspected – there is a check list
- Landlord must request approval of the tenancy
- Rental amount can be no more than Housing Authority permits--tied to HUD fair market rent
- Voucher isn't received until the tenant moves in



SB 329

Mandatory Section 8

Discrimination based on “source of income” is prohibited.

Source of income now includes:

- Section 8
- Rent paid to a landlord through federal, state or local assistance
- Local housing subsidies
- Federal housing vouchers
- Veterans Affairs Supporting Housing voucher (SB 222)

The Department of Fair Employment and Housing has authority to enforce this law

Mandatory Section 8: Do's and Don'ts

Landlords **cannot**:

- Reject Section 8 tenant/applicants outright
- Advertise they do not accept Section 8 tenants
- Represent a unit is unavailable, offer different units or negotiate inferior terms
- Restrict a tenant's access to facilities or services
- Refuse repairs
- Treat Section 8 tenants differently than other tenants



Don'ts

Mandatory Section 8: Do's and Don'ts

Landlords **can**:

- Charge market rents. They are not required to reduce rents to HUD's fair market rent even if chosen rent levels would make a unit too expensive for a voucher holder.
- Use appropriate financial and income standards (e.g., income verification and creditworthiness).
 - But landlords may only consider in connection with the tenant's portion of the rent.
- Charge a standard security deposit
 - But first month's rent should be based on the tenant's portion of the rent.



Do's

Lower Security Deposit for Active Military

- Landlord may only collect one-month security for unfurnished units (two months for furnished units)
- Applies to a service member who is:
 - An active or reserve member of the Armed Forces and has been ordered into active duty
 - National guard, State Military Reserve, the Naval Militia and the “unorganized militia” who is called or ordered into active state or federal service
- Applies if a service member is listed as a tenant on the property (service member’s spouse, parent, domestic partner or dependent may also occupy property)
- Landlord may still collect first month’s rent before initial occupancy along with the security deposit



SB 644

A black and white photograph showing a hand in a military camouflage uniform sleeve handing a set of keys to a hand in a dark business suit sleeve. The keys are on a ring and include a small rectangular tag. The background is a plain, light-colored wall.

**No discrimination on the basis of
military or veteran status**

**Military or veteran status is now a protected status
Effective January 1, 2020**

Family Day Care Homes – Treated as Residential Use with up to 14 Children



- Previously up to 8, but locality could extend to 14
- Now up to 14 children statewide
- Family daycare home includes any residential dwelling, including townhome and multi-family dwellings such as apartments
- What's the limit? Fire Marshal will set limit
- Owner cannot refuse to sell, rent, refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny a dwelling unit for residential use to a person because that person is a family daycare provider

Additional Resources

- [Q&A, 2020 New Laws;](#)
- [Webinar, 2020 New Laws;](#)
- [Quick Guide, Miscellaneous Landlord Tenant Laws for 2020;](#)
- [Q&A, Servicemembers Civil Relief Act;](#)
- [Q&A, Security Deposits](#)