

On Friday, the Governor signed SB 91 to extend the moratorium on evictions from January 31 to June 30, 2021. With the moratorium now set to last until June 30 of this year, tenants who pay at least 25% of their rent — either monthly or in one lump sum — will receive eviction protections. The law also creates a program for eligible landlords to receive rent subsidies, provided from \$2.61 billion in federal funds, that will cover up to 80% of the total amount of rent in arrears, provided that the landlords forgive the remaining 20% and don't seek evictions.

The program aims to pay 25% of rent arrears for tenants applying for assistance where the landlord does not agree to forgive unpaid amounts or forgo evictions.

The program requires landlords to notify tenants who owe back rent of the availability of federal funds to assist them, and landlords will be prohibited from evicting tenants if they failed to notify them.

Some eligibility rules apply. This includes that the renter must have an income no more than 80% of the area median income, the renter must demonstrate specified financial hardships such as unemployment or income reduction, and also must show that there is a risk of homelessness or housing instability. The program will prioritize people whose incomes are no more than 50% of the area median income.

With days to spare before a statewide eviction moratorium was set to expire, Gov. Gavin Newsom signed SB 91, extending the ban until summer to give tenants more security during the coronavirus pandemic.

As noted above, with the moratorium now set to last until June 30 of this year, tenants who pay at least 25% of their rent — either monthly or in one lump sum — will receive eviction protections.