





CALIFORNIA ASSOCIATION OF REALTORS®

April 12, 2019

The Honorable Maria Elena Durazo California State Senate State Capitol, Room 5066 Sacramento, CA 95814

## RE: SB 529 (Durazo) – Tenant Associations: Eviction for Cause: Withholding Rent – Oppose

Dear Senator Durazo:

The organizations listed here have taken an oppose position on SB 529, your bill that would allow tenants who form an organization to take the law into their own hands, cutting off rent payments for the entire property and denying the landlord the right to terminate the tenancy as allowed under existing law or the rental agreements signed by the tenants. This process does not require the landlord to have breached the rental agreement or to have violated any law – it can be based on any "grievance or complaint."

Tenants today have the right to form a tenant's association. No bill is required to authorize this activity. State law also allows tenants to withhold the rent so long as they follow the specific procedures outlined in Civil Code 1942. Tenants have no right, nor should they, to simply take a vote among themselves to withhold the rent based on some alleged undefined "grievance" they have with the landlord. State and local laws have adopted penalties and processes through which tenants can lodge a complaint and seek corrections to their housing situations: local housing departments; local housing inspectors; local mediation programs; local rent boards, and the courts serve this purpose.

Finally, your bill requires a property owner to list a specific cause if they wish to terminate a tenant who is a member of a tenants' association. This requirement will lead to significantly higher rents and put good tenants in danger by making it extremely difficult to remove bad tenants who are engaged in illegal and nuisance activity. In California, it's too expensive and time consuming to terminate a tenancy, and most owners would much prefer to work with a tenant. California law already has some of the strongest protections in place for tenants who face retaliatory or discriminatory evictions. Failure to abide by these laws carry significant penalties, including actual damages, injunctive relief, and punitive damages.

California Apartment Association California Business Properties Association California Association of REALTORS<sup>®</sup> California Chamber of Commerce

## cc: Senate Judiciary Committee