PROMOTING HOUSING STABILITY THROUGH JUST CAUSE EVICTION LEGISLATION

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BACKGROUND

In 2022, as Emergency Rental Assistance (ERA) funds continue to be depleted, most federal, state, and local governments have lifted their eviction moratoriums. Despite the historic aid enacted by Congress and the wide range of tenant protections passed by states and localities over the last year, many renters now face new challenges to their housing stability: increased rents due to inflation and a lack of affordable housing stock, vulnerability to landlords who are reluctant to renew leases, and fear of retaliation among tenants who advocate for better housing conditions.

The end of a lease term is a particularly vulnerable time for low-income tenants. In many states and localities around the country, landlords are not required to provide a reason for evicting a tenant at the end of a lease term or for evicting a tenant without a lease (i.e., a resident with a month-to-month tenancy). Moreover, landlords who are unable to evict a tenant during their lease term may choose not to renew the tenant's lease and use the lease holdover as grounds for eviction. A tenant at the end of their lease is also at risk of unreasonable rental increases.

When a tenant receives an eviction notice, faces rent hikes, or fears displacement, they may choose to leave their unit – or "self-evict" – rather than go to court. Those who pursue legal action often find that no laws exist to protect them from eviction at the end of a lease term and that having an eviction judgement on their record creates further barriers to obtaining and maintaining future housing.[1]

To support renters at risk of housing instability, a growing number of lawmakers in states and localities across the country have passed "just cause" eviction legislation. In Baltimore, for example, City Council members passed a just cause ordinance requiring landlords to "provide renters the opportunity to renew their leases unless a 'good cause' exception exists."[2] Legal protections extended through such just cause legislation make the lease renewal process more predictable, protect renters from excessive rent increases, empower tenants to advocate for better living conditions without fear of retaliation, and promote long-term housing stability for low-income and marginalized renters.[3]

WHAT IS JUST CAUSE LEGISLATION?

Just cause – also known as "good cause" or "for cause" – eviction laws are tenant protections that prevent evictions and promote housing stability by limiting the causes for which a landlord can evict a tenant or refuse to renew a tenant's lease when the tenant is not at fault or in violation of any law.[4] Just cause laws aim to benefit low-income tenants by:

- Protecting renters from evictions for no fault of their own.
- Delivering a sense of stability to tenants.
- Discouraging renters from self-evicting when they receive eviction notices from landlords.
- Empowering tenants experiencing poor living conditions, discrimination, or other illegal landlord behavior to advocate for improvements with landlords or file complaints without fear of retaliation.
- In some cases, protecting tenants from unreasonable rent increases.

1 "Protect Tenants, Prevent Homelessness." (2018). National Law Center on Homelessness & Poverty.

2 Miller, Hallie. "Baltimore tenant protections take effect, requiring 'just cause' before eviction." July 20, 2021. *The Baltimore Sun.*

3 "Good Cause Eviction Salazar S3082/Hunter A5573 Frequently Asked Questions." Housing Justice for All.

4 "Just Cause Eviction Policies." *Local Housing Solutions.*

The specific protections embedded in just cause legislation vary by jurisdiction. Protections always include provisions that define the legal causes for which a landlord can evict a tenant or refuse to renew a tenant's lease. Legal definitions of "just cause" usually involve substantial violations of a lease by a tenant, such as failure to pay rent or destruction of property. If a tenant receives an eviction notice without just cause, the tenant can challenge the eviction in court.[5]

> **"A 'good cause' is generally defined as substantial violations of a lease, such as failure to pay rent or serious destruction of property. If a tenant receives an eviction notice without legal reason, the tenant can challenge the eviction in court under good cause protections."**
>
> ***– Kate Ham, Community Service Society***

In addition to defining the legal reasons for which landlords can evict tenants or not renew leases, just cause laws commonly include provisions placing caps on rent increases or limiting the power of landlords to increase rents and expanding notice provisions and the length of tenant notice periods. Tenants who know they cannot be evicted without good reason experience a level of housing security that has not often existed for renters.

STATE AND LOCAL JUST CAUSE PROTECTIONS

Just cause laws can be enacted at federal, state, or local levels. Currently, no federal just cause laws exist. However, five states across the country have implemented just cause legislation: New Jersey, California, New Hampshire, Oregon, and Washington. New Jersey was the first state to pass such renter protections (in 1974), and Washington is the most recent (in 2021). In the absence of federal or state just cause laws, many housing advocates have worked to advance such protections at the local level, in the hopes of scaling the protections up into state legislation. During the pandemic, advocates helped achieve the enactment of just cause protections in seven localities: the towns of Albany, Beacon, Kingston, Newburgh, and Poughkeepsie in New York; Baltimore, Maryland; and St. Paul, Minnesota.

Tensions between the jurisdictional authority of states and localities often shape efforts to enact and successfully implement just cause legislation and other tenant protections. When Baltimore councilmembers passed their ordinance in 2021, Mayor Brandon Scott expressed reservations about the city's authority to implement and enforce the new law because it conflicted with existing state law, which gave "landlords in Baltimore City the right to terminate a year-long tenancy with 90 days' notice and a shorter time period for other types of tenancies."[6] To resolve the conflicts between state and local law, in 2022 Maryland lawmakers introduced HB 881, which would authorize counties to adopt local laws that prohibit residential landlords from failing to renew a lease or evicting a holdover tenant without good cause. If enacted, more localities in Maryland may be incentivized to pass their own local just cause ordinances.

CORE COMPONENTS OF JUST CAUSE LEGISLATION

Just cause legislation enacted by state and local jurisdictions typically includes three core components: (1) the definition of the legal grounds for eviction, (2) the placing of limits on

5 Ham, Kate. "Why New York Needs Good Cause Eviction." September 29, 2021. Community Service Society.

6 Miller, Hallie. "Baltimore tenant protections take effect, requiring 'just cause' before eviction." July 20, 2021. *The Baltimore Sun.*

rent increases, and (3) the enhancement of written notice requirements. While the protections discussed in this brief display similarities, they also exhibit unique characteristics that reflect the state and local contexts shaping their enactment and that are important to consider in efforts to develop new just cause legislation.

Defining the Legal Grounds for Eviction

Just cause laws aim to prevent evictions of tenants who are not at fault by defining the legal grounds on which a landlord can evict tenants or refuse to renew a lease. Just causes for eviction commonly include failure to pay rent, property damage, disturbance or disorderly conduct, other lease violations, criminal activity in a unit, and intent on the part of the landlord to sell, repair, or move into the unit.

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New Jersey's just cause eviction legislation defines these grounds clearly. Enacted nearly 50 years ago, New Jersey's law – the "Anti-Eviction Act" – was designed to address the state's severe housing shortage by preventing landlords from unfairly and arbitrarily displacing their tenants.[7] The act limits the ability of landlords to remove tenants who have not violated the terms of their lease and defines the legal causes for eviction as failure to pay rent or rent increases, disorderly conduct, damage or destruction to property, illegal activity, violation of landlord rules or the lease agreement, or a desire on the landlord's part to convert rental property to a condominium or use the property personally. The act further establishes that for failure to pay rent after a rent increase to be considered grounds for eviction, "the rent increase must not be unconscionable and must comply with all other laws or municipal ordinances, including rent control."[8]

Washington State also enacted legislation defining acceptable grounds for eviction. In May 2021, the legislature passed HB 1236, which required landlords to provide a valid reason for ending a tenancy. Under the law, just causes for eviction include failure to pay rent, unlawful activity, destruction of property, and the landlord's intent to sell or move into the rental property.

Oregon's SB 608, enacted in 2019, protects tenants from no-cause evictions after their first year of occupancy. However, unlike the New Jersey and Washington State legislation, SB 608 provides exemptions allowing landlords to evict tenants who have not violated any lease terms in cases in which (1) the landlord wishes to demolish a building or convert it into a business or make substantial repairs to or renovate the unit; (2) the landlord or their relative wishes to move into the unit; or (3) the landlord has sold the unit to someone who wants to move into it.

California's just cause legislation, the "Tenant Protection Act of 2019" (AB 1482), applies to renters who have lived in their units for 12 months or more and distinguishes between at-fault and no-fault evictions. According to the California Rental Housing Association (CalRHA), at-fault evictions are based on the actions and activities of renters. To justify an eviction, a landlord must have

7 *447 ASSOCIATES v. Miranda.* 115 N.J. 522 (1989).

8 "Grounds for An Eviction Bulletin." (2008). New Jersey Department of Community Affairs.

evidence of any of the following: failure to pay rent, violation of a lease term, criminal activity, disturbance on the property as defined by California law, or refusal to execute a landlord's request of a written extension or renewal of the lease based on similar terms of a tenant's previous lease. Like Oregon's legislation, California's law provides exemptions allowing no-fault evictions to proceed in certain cases. California's exemptions include cases in which the owner intends to withdraw the unit from the rental market or demolish or substantially remodel the unit, or the owner or the owner's relative intends to occupy a unit, as well as cases in which the owner is complying with a local ordinance, court order, or other governmental entity that requires a tenant to vacate the property. However, because the reason for eviction is beyond the tenant's control, in such cases the evicting landlord must assist the tenant in relocating, regardless of the tenant's income, by providing a direct payment of one month's rent to the tenant or providing a written waiver for the tenant's last month of rent.

In California, the evicting landlord in a no-fault eviction must assist the evicted tenant in relocating by providing direct payment of one month's rent to the tenant or providing a written waiver for the tenant's last month of rent.

New Hampshire's just cause law, which became a state statute in 2015, offers the broadest definition of the causes for which a landlord can evict a tenant by including among these causes "any legitimate business or economic reason."[9] The law also defines just cause as including failure to pay rent, violation of the lease agreement, destruction of property, and behavior that adversely impacts the health and safety of other tenants or the landlord.

Placing Limits on Rent Increases

In 2021, the cost of rent rose on average 14% nationally, while in cities like New York, Austin, and Miami, rents increased by as much as 40%.[10] Rents could rise another 10% in 2022.[11] As a result, housing has become even less affordable, and more households – particularly the lowest-income households, whose members are disproportionately people of color – are at higher risk of housing instability and homelessness. When combined with rental caps, just cause laws can preserve affordable rental units by making it more difficult for landlords to significantly increase rent for existing tenants.[12] Without reasonable restrictions on rent increases, tenants who are unable to afford new rents are likely to face eviction and displacement as rents increase in their areas.

Oregon's SB 608 (discussed in the previous section) provides basic protections against extreme rent increases and no-cause evictions.[13] With its passage in 2019, SB 608 became the first statewide law to place a percentage cap on the amount by which a landlord can raise rent.[14] To address the urgency of Oregon's affordable housing crisis, SB 608 capped annual allowable rent increases for buildings more than 15 years old at 7% plus the rate of inflation as defined by the Consumer Price Index (CPI). The law requires Oregon's Department of Administrative Services

9 "TITLE LV PROCEEDINGS IN SPECIAL CASES Chapter 540 ACTIONS AGAINST TENANTS." The General Court of New Hampshire.

10 "Rental Market Tracker: Rents Rise 14% in December—Biggest Jump in Over Two Years." January 21, 2022. Redfin.

11 "Short- and Medium-Term Inflation Expectations Unchanged; Job and Income Expectations Strengthen Further." January 10, 2022. Federal Reserve Bank of New York.

12 Ham, Kate. "Why New York Needs Good Cause Eviction." September 29, 2021. Community Service Society.

13 "SB 608: Protecting Renters." Oregon Housing Alliance.

14 William, Timothy. "Is Your Rent Through the Roof? Oregon Wants to Fix That." February 25, 2019. *The New York Times.*

to announce the maximum annual percent increase on September 30 of every year. In 2022, for example, the maximum allowable rent increase is set at 9.9%.

Likewise, California's AB 1482 placed caps on annual rent hikes while also limiting the ability of landlords to evict tenants without documented lease violations. Under AB 1482, landlords may raise rents to a maximum of 5% plus the applicable CPI rate, or 10% – whichever is lower. In a 2019 press release, Governor Gavin Newsom expressed his support for the bill, stating that "these anti-gouging and eviction protections will help families afford to keep a roof over their heads, and they will provide California with important new tools to combat our state's broader housing and affordability crisis."[15]

Enhancing Written Notice Requirements

Knowing and understanding the reason for an eviction can help a tenant collect required documentation and prepare for their court hearing. Written notices are typically provided by landlords to tenants to communicate that a landlord does not wish to maintain a lease, with or without cause, and that the tenant should vacate the property by a specified date. Depending on the jurisdiction, the requirements of the notice – such as its length and the type of causes that can be cited – vary. Oregon, Washington State, and New Hampshire have each put into place enhanced written notice requirements as part of their just cause eviction laws.

In Oregon, if a no-cause eviction occurs that utilizes one of the exemptions listed above, SB 608 requires that the landlord provide the evicted tenant with a 90-day notice. If the property owned by the landlord has five or more units, the landlord is also required to provide the evicted tenant with a payment equaling one month's rent.

Under Washington's HB 1236, a landlord who wishes to evict a tenant must serve the tenant a written notice that specifies the lease violation and gives the renter the opportunity to cure that violation. The law also increases the time landlords are required to provide advance written notice from when the tenancy is deemed expired from 20 to 60 days, granting tenants more time to find housing.

New Hampshire's just cause law requires landlords to give tenants 30 days advance notice of any new lease term that includes a rental increase. The law also requires landlords to provide evicted tenants a 30-day written notice to vacate a rental unit. However, if the reason for eviction is nonpayment of rent, the length of the notice decreases to seven days.

CURRENT ADVOCACY EFFORTS TO ENACT JUST CAUSE LEGISLATION

So far in 2022, Maryland, New York, and Connecticut have introduced just cause legislation, demonstrating the political momentum states are building to address the affordable housing crisis.

New York's proposed bill would grant tenants the right to a lease renewal in most cases, prohibit a landlord from removing a tenant without an order from a judge, and cap rent increases on current tenants to 3%, or 150% of CPI – whichever is higher.[16] Under the bill, "good cause" for terminating a lease would include the following: nonpayment of rent, provided that the rent owed is not a result of an unreasonable rental increase; significant violation of the lease terms (other than to surrender possession); nuisance that interferes with other tenants' comfort; violation of the law or use of the unit by the tenant for an illegal purpose; unreasonable refusal by the tenant to provide access to the unit for the purpose of repairs or to show the unit to a prospective purchaser;

15 "Governor Newsom Statement on Passage of Strongest Package of Renter Protections in the Country." September 11, 2019. Office of Governor Gavin Newsom.

16 "As NY's eviction Moratorium Nears its End, Will Albany Pass 'Good Cause' Bill?" January 7, 2022. *City Limits.*

personal use of a unit by the landlord's family members in an apartment building with fewer than 12 units (tenants over the age of 62 or who are disabled are exempt from this cause for removal); or personal use by the landlord in buildings with fewer than five units.

New York housing advocates mobilized a statewide campaign to address the gaps in assistance remaining after the eviction moratorium expired on January 15, 2022, and as the state obligates and expends its ERA funds. With the federal funds currently available, the Office of Temporary and Disability Assistance (OTDA) anticipates funding ERA applications that were submitted through October 7, 2021, and with additional state funds, OTDA anticipates being able to process ERA applications that were submitted through March 31, 2022[17] However, applications are still being submitted, and an estimated 588,000 households in New York remain behind on rent, more than three-quarters of them households of color.[18] Because the proposed bill would require a landlord to prove "good cause" to evict a tenant, New York lawmakers and housing advocates anticipate that the law could protect those 588,000 households from displacement. The law would also grant additional protections to 1.6 million renters across the state, or 50% of all New York renters, according to a 2021 report by the Community Service Society.[19]

In the neighboring state of Connecticut, lawmakers have introduced HB 5233, which would expand just cause eviction protections that were previously reserved only for renters who are at least 62 years old or have a disability.[20] According to the Connecticut Fair Housing Center, "no-fault evictions more than doubled from August to December 2021 compared to August to December 2019, threatening to displace tenants who have few options in a tight rental market."[21] HB 5233 would expand just cause protections to all renters living in buildings with five or more units, ensuring housing security for more renter households. Under the just cause bill, tenants who face rent increases would be able to file complaints with the local fair rent commission or challenge the increases in court. The commission or court would then determine whether the rent increase is fair and equitable, according to the determinations set by a previous rental charge statute.

LOCAL LEGISLATION CAN SET THE PATH FOR STATEWIDE REFORM

With no federal just cause standards in place, and only five states with enacted protections, many housing advocates have focused their advocacy efforts on passing local just cause laws and other needed tenant protections. Local governments have opportunities to build buy-in from the public and their state legislatures by passing just cause ordinances in their jurisdictions and collecting eviction data to demonstrate the impact of the laws and influence future state legislation.

Decades before Washington State passed just cause legislation, for example, Seattle adopted a local ordinance from which state lawmakers would later learn. Similarly, in California, about 20 cities and counties across the state had enacted their own form of rent control prior to the passage of AB 1482.[22] Once it was enacted, AB 1482 extended protections to renters who were not covered by local ordinances or who lived in areas where local ordinances prohibited protections, applying rental caps and just cause standards to an additional 2.4 million apartments across California, as well as single-family rental homes meeting the act's requirements, according to an analysis by researchers at the University of California, Berkeley's Terner Center for Housing Innovation. [23]

17 NYS Office of Temporary and Disability Assistance Emergency Rental Assistance Program Website.

18 Rent Debt Dashboard. National Equity Atlas.

19 "Why New York Needs Good Cause." (2021). Community Service Society.

20 Sec. 47a-23c. *Prohibition on eviction of certain tenants except for good cause*.

21 "Expand Good Cause Eviction Protections." April 1, 2022. Connecticut Fair Housing Center.

22 Healy, Jon. "Building an ADU? What you need to know about rent control." March 8, 2022. *Los Angeles Times.*

23 Dillon, Liam. "Here's how California's new plan to cap rent increases would work." September 5, 2019. *Los Angeles Times.*

Likewise, over the last year, the City of Baltimore and five cities in New York have passed just cause ordinances, as they wait for further protections to be enacted by their state legislatures. When New York state lawmakers failed to pass just cause eviction legislation in 2021, for example, housing advocates began to focus their efforts locally, organizing campaigns and helping enact just cause ordinances in communities in upstate New York, whose renters are often overlooked in statewide discussions about tenants' rights.[24] In July 2021, Albany became the first city in New York to adopt a just cause ordinance. The ordinance states that every tenant in the city is entitled to a lease renewal and protections against "unconscionable" rent hikes, and it outlines legitimate causes for which a landlord can evict a tenant. Albany's success was quickly replicated in neighboring localities, with Newburgh, Poughkeepsie, Kingston, and Beacon passing similar just cause ordinances only a few months later. The swift passage of multiple just cause ordinances in smaller upstate communities should demonstrate to state lawmakers that affordable housing issues are not limited to New York City and that housing reforms are popular with voters in other areas of the state.[25]

In March 2020, local lawmakers in St. Paul, Minnesota, passed the "Stable, Accessible, Fair, and Equitable (SAFE) Homes" ordinance, which became the first law in the state of Minnesota to require landlords to establish just cause for not renewing a tenant's lease. Local policymakers often heard from their constituents about the impact of rent hikes, landlord retaliation or discrimination, and displacement of low-income and marginalized renters. Meanwhile, about 70% of renter households were cost-burdened, due to rising rental costs, a citywide housing shortage, and stagnant wages.[26] These housing affordability challenges were also shaped by racial inequities.[27] According to a St. Paul City Councilmember, households of color were far more likely to rent than own their homes: 83% of Black households in the city were renting their homes, for example, compared to 41% of white households.

To address these challenges and limit evictions in a tight rental market, the just cause regulation enacted in St. Paul defined 10 allowable just causes for eviction: (1) nonpayment of rent; (2) repeated late payment of rent; (3) lease violations; (4) the tenant's refusal to renew or extend the lease; (5) a desire on the part of the landlord to recover possession of the unit for personal or family use; (6) a desire on the part of the landlord to convert or demolish the building or unit; (7) a desire on the part of the landlord to renovate the unit; (8) compliance with a government order to vacate; (9) occupancy conditioned by a tenant's employment on the property; and (10) the exceeding of unit occupancy standards by the tenant.

CONCLUSION

As states begin to run out of emergency rental assistance and housing prices continue to rise, local, state, and federal governments must intervene to protect low-income and marginalized households from eviction and, in the worst cases, homelessness. Just cause eviction legislation is an important tenant protection that can provide stability and predictability at the end of a lease term and mitigate the harms resulting from unprecedented rental increases in cities and states across the country. As the federal government continues to delay actions to address the country's housing affordability and homelessness crisis, state and local governments must work to provide robust and permanent tenant protections at all stages of the eviction process.

24 Lewis, Rebecca. "Good cause eviction has momentum leading into 2022." December 7, 2021. *City & State New York.*

25 Lewis, Rebecca. "Good cause eviction has momentum leading into 2022." December 7, 2021. *City & State New York.*

26 Jalali, Mitra. "Why St. Paul Needs S.A.F.E. Housing Tenant Protections Now." March 2, 2020. *Medium.*

27 Jalali, Mitra. "Why St. Paul Needs S.A.F.E. Housing Tenant Protections Now." March 2, 2020. *Medium.*

KEY RECOMMENDATIONS

1. States and localities should advance legislation to (1) ensure tenants at the end of their lease have the ability to renew if they have not violated the legal terms of their lease; (2) provide limits on exorbitant rental increases to prevent renters from becoming extremely rent-burdened or experiencing displacement; and (3) ensure adequate written notice documenting the cause for eviction and providing sufficient time for tenants to either fight their case in court or find a new home.

2. States and localities should enact other measures to ensure stronger protections against eviction and promote housing stability for the lowest-income and most marginalized renters. Such additional measures are described in NLIHC's report, *Tenant Protections and Emergency Rental Assistance During and Beyond the COVID-19 Pandemic.*

3. Local courts and lawmakers must establish stronger mechanisms to collect and analyze eviction filing and judgement data to help housing counselors, legal aid providers, and policymakers better understand and serve low-income renters, enforce existing tenant protections, and understand the impact of state and local tenant protections for the purpose of informing future advocacy and implementation.

4. After passing just cause legislation and other tenant supportive measures, state and local governments should develop equitable marketing strategies that efficiently communicate new protections to renter households so that renters are aware of their rights and can exercise those rights in interactions with their landlords or in court.

5. Congress should enact legislation to establish protections for renters, such as by passing (1) just cause eviction standards to ensure greater housing stability and prevent arbitrary and harmful actions by landlords; (2) a right to counsel to help more renters stay in their homes and mitigate harm when eviction is unavoidable; (3) source-of-income discrimination bans to help ensure that landlords do not discriminate against renters with rental assistance or other sources of income; and (4) other measures to protect renters nationwide. Affordable, stable, and accessible housing and robust housing choice are the foundation upon which just and equitable communities are built, but the power imbalance between renters and landlords puts renters at greater risk of housing instability, harassment, and homelessness and fuels racial inequity. A full list of needed federal protections is provided here.

For more information on state and local tenant protections, see NLIHC's Tenant Protection Website at: https://nlihc.org/tenant-protections