

Thank you Governor for Stopping “Mandatory Educational Classes” for Owners! by D.C. Faller

A great big “thank you” goes to the Governor for vetoing an almost new law that was passed to punish housing providers last year.

The bill was supposed to “demonstrate the apartment industry’s commitment to punish the bad actors within the industry”.

This AB769 was also supposed to “encourage and authorize local governments to seek, and the court to order, mandatory educational courses for rental housing owners who fail to comply within a reasonable time with an order to correct violations at their property that are so extensive and of such a nature that the health and safety of the residents is substantially endangered”.

Isn’t that a bunch of bull! We can at least be thankful that the Governor saw through it and stopped this totally unacceptable idea. By the way, this bill was proposed and supported by a bunch of “elite” apartment owners who seem to be out of touch with the needs of mom and pop housing providers. Or, they might all own newer buildings in A & B areas where the tenants take care of their apartments and are in higher income brackets so that their new law would have no affect on them. They are wrong! Passing new laws like this will lead to more and more regulation of our industry. They too will eventually suffer.

First, it doesn’t take a special mandatory class to “educate” owners who have received a notice to repair their units. They have already been cited by the law and told exactly what is required. Second, we don’t need nor should we attempt to create an “educational industry” to suck money out of apartment owners! Of course this would benefit these owners and their “hired guns” who proposed this bill and plan to supply the “education” through their non-profit organization..... at a price that would enrich their coffers. I guess this proposed law would affect them after all. They would have your money in exchange for their mandatory classes.

Third, there’s a law already on the books that require a building to be “habitable”. If some government inspector decides that the building is bad enough he can “red tag” it. The tenants would have to move out and the owners would not be able to collect any rent until he cleaned up the mess that the old tenants created and complied with the law. However, this law is not enforced because it would inconvenience the tenants who tore up the building in the first place. (Maybe the “state Gestapo” should pass a law to require tenants to take classes on how to treat the property they rent!)

We all know that if a low income building is completely renovated BUT the same tenants remain in the building, that the building will again not be classified as being habitable within six months to two years of the original citation. The owners or new owners will be cited and we start all over again.

The Solution

AOA proposed, and has for the past twenty years, that the inspectors cite both the tenants and the owner. Give the tenant a sixty day notice to move out if the building is not made habitable. It might scare the pants off the owner if he is at fault and it sure as heck will cause the tenant to cooperate with getting the building in shape. We submit that the tenants need to know that they too are responsible for tearing up the place and must also suffer the consequences.

We are all familiar with the facts. Some tenants intentionally punch holes in the walls and then call the inspectors. Others try to deny the owner access so that he cannot complete the repairs and comply with the law.

It can happen to you. Even though you totally screen your tenants, we all take a chance of getting a “tenant from hell” and getting cited.

Take Action

If you belong to any non-profit group of owners, call their leaders and make certain that they agree that laws like this should be killed. Make them promise to never support a bill that would require you or other owners to spend their valuable time and money attending mandatory classes. If they do this again in the future, make it clear that you will no longer support them! Make certain that they understand that it will cost them more in lost membership dues than they will ever collect in fees for giving their “educational class”!! Their plan for a “cash cow” is going to turn into a lost cow!

You know and I know that mandatory education for apartment owners is totally contrary to our American economic system of free enterprise and violates the rights of a society that chooses to remain free. Property rights are at the foundation of our free society – let’s do all we can to protect our rights as property owners!!