

Civil Rights Department

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After Eviction Notice, State Secures Settlement Protecting Rights of Childcare Providers

Landlord agrees to training, updating rental policies, and compensating tenant

SACRAMENTO – The California Civil Rights Department (CRD) today announced reaching a settlement with an individual landlord who allegedly served a tenant with multiple eviction notices for providing childcare services out of her rental property in Manteca in San Joaquin County. Under California law, landlords are prohibited from discriminating against tenants because they run a licensed childcare center out of their home. As part of the settlement, the landlord has agreed to training, updating their rental policies, and compensating the tenant.

"Plain and simple: Providing licensed childcare out of your home is protected under the law," said CRD Director Kevin Kish. "Landlords and property owners have clear legal obligations to protect against discrimination and retaliation. I encourage all housing providers to use our numerous resources to make sure they comply with our state's civil rights laws."

Threatened with Eviction

Last year, CRD received a complaint against an individual property owner for allegedly discriminating against a tenant for operating a childcare business out of her rental property. According to the complaint, the landlord unlawfully attempted to prevent the tenant from providing the services as a condition of living at the property. After attempting to put a stop to the childcare services, the landlord then allegedly served the tenant with multiple eviction notices. The tenant was ultimately forced to move out, disrupting her business and the lives of the families and children she supported.

State Law Protects Childcare

Under California law, landlords, homeowners' associations, and other housing providers are prohibited from discriminating against someone because they run a licensed childcare center out of their home. This means that landlords cannot refuse to rent to someone, charge higher rent, or evict tenants because they run or will open a licensed childcare home. These protections apply to licensed childcare homes serving as many as 12 children. The law also applies to homeowners' insurance companies, which cannot cancel a landlord's policy solely because a licensed childcare home is operated on the property.

The California Legislature enacted these protections in 2019 as part of the Child Day Care Facilities Act in response to an extreme shortage of regulated family daycare homes across the state. The law aims to promote the development and expansion of regulated family daycare homes, including the type of childcare at issue in this case, to support access to childcare for working families. As recognized by the Legislature, families have more options for jobs and education through access to childcare, and childcare gives children a chance at a strong start to create opportunities for themselves and their communities.

Landlord Agrees to Resolution

After conducting an initial investigation, CRD provided the tenant and the landlord an opportunity to resolve the allegations through mediation. As a result of the settlement, the landlord, without admitting liability, will:

- Attend at least 6 hours of training on fair housing laws, including with respect to discrimination and retaliation.
- Cease discriminating against current or prospective tenants who operate a licensed childcare business or for any other protected category, including race, sex, and source of income.
- Include language in any future rental listings indicating that all applicants regardless of their source of income are welcome to apply.
- Report on compliance with the settlement to CRD.
- Pay \$80,000 in compensation to the complainant.

If you or someone you know has experienced housing discrimination, CRD may be able to assist you through its complaint process. The department also provides general information and factsheets online about civil rights protections, including on fair housing laws and the rights of childcare providers.

The settlement announced today was secured by Staff Counsel Vanessa Chan and Assistant Chief Counsel James Zahradka. It was mediated by Attorney IV Mediator Mary M. Leichliter.

You can learn more by reading a copy of the settlement.

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The California Civil Rights Department (CRD) is the state agency charged with enforcing California's civil rights laws. CRD's mission is to protect the people of California from unlawful discrimination in employment, housing, public accommodations, and state-funded programs and activities, and from hate violence and human trafficking. For more information, visit <u>calcivilrights.ca.gov</u>.











