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[EXEMPT FROM FILING FEES
UNDER GOV. CODE, § 6103]

Attorneys for the People of the State of California

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

THE PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

v.

HOLLAND RESIDENTIAL (CALIFORNIA), INC.,

Defendant.

Case No.

[PROPOSED] FINAL JUDGMENT AND PERMANENT INJUNCTION

The People of the State of California (“the People”), appearing through their attorney, Rob Bonta, Attorney General of the State of California, by Deputy Attorney General Michael Novasky, and Holland Residential (California), Inc., appearing through its attorneys, Todd A. Brisco & Associates, APC, having stipulated to the entry of this Judgment by the Court without the taking of proof and without trial or adjudication of any fact or law, and with all parties having waived their right to appeal from the Judgment, and the Court having considered the matter and good cause appearing:

1 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

2 1. This Court has jurisdiction over the allegations and subject matter of the People’s
3 Complaint filed in this action, and the parties to this action; venue is proper in this County; and
4 this Court has jurisdiction to enter this Judgment.

5 2. Defendant does not admit to any violations of law alleged in the Complaint and
6 does not admit any wrongdoing that was or could have been alleged by the People before the date
7 of the Judgment under any law.

8 **INJUNCTION**

9 3. Nothing in this Judgment alters the requirements of federal or state law to the
10 extent they offer greater protection to consumers.

11 4. The injunctive provisions of this Judgment shall become effective immediately
12 upon entry of this Judgment and shall apply to Defendant as well as its successors and assigns,
13 any entity over which Defendant otherwise exercises ownership or control, and its directors,
14 officers, employees, and agents.

15 5. Defendant shall be and hereby is enjoined and restrained, under Business and
16 Professions Code section 17203, from directly or indirectly engaging in any act or practice that
17 violates the COVID-19 Tenant Relief Act (Assem. Bill 81 (2021-2022 Reg. Sess.)); the
18 Consumer Credit Reporting Agencies Act (Civ. Code, § 1785.1 et seq.); the Investigative
19 Consumer Reporting Agencies Act, (Civ. Code, § 1786 et seq.); the Fair Credit Reporting Act,
20 (15 U.S.C. § 1681 et seq.); the Fair Employment and Housing Act (Gov. Code, § 12900, et seq.);
21 the Unruh Act, (Civ. Code, § 51, et seq.); the Fair Housing Act (42 U.S.C. § 3601, et seq.); the
22 Unfair Competition Law (Bus. & Prof. § 17200 et seq.); or any other laws that govern the
23 provision or denial of housing to the public.

24 6. Before using any information provided to Defendant by a third party for the
25 evaluation of rental applicants at any of its residential rental properties in California, Defendant
26 shall verify at least annually in writing that the third party has adequate and updated processes in
27 place to filter out any data that, if used by Defendant, would violate any laws applicable to the
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1 provision or denial of housing to the public. The initial verification as to each third-party data
2 source shall be requested by Defendant within six months after entry of this Judgment.

3 7. If Defendant has not received verification from its third party data source(s) as set
4 forth in paragraph 6 above, Defendant shall not use any information provided by that source in
5 connection with any of its California Residential Rental Properties, unless Defendant ensures it
6 has its own processes in place to filter out any data that, if used by Defendant, would violate any
7 laws applicable to the provision or denial of housing to the public.

8 8. Defendant shall disclose in any written tenant application used for its California
9 residential rental properties:

10 A. The name and address of any rental applicant screening company that
11 Defendant will use to produce a screening report,

12 B. A description of the information that will be used to produce the screening
13 report, and

14 C. The following statement: “In the event of a denial or other adverse action
15 against you, you have a right to obtain a free copy of any screening reports
16 generated as part of this application and to dispute the accuracy of the report
17 with Holland and with the company that generated the screening report.”

18 9. Defendant shall maintain a dedicated and monitored email inbox for rental
19 applicants to notify Defendant if screening reports contain prohibited or inaccurate information.

20 10. If Defendant denies an application submitted by a rental applicant for its California
21 residential rental properties, Defendant will, within five business days, provide a copy of that
22 screening report to the rental applicant that is the subject of the report, at no additional charge to
23 the applicant, along with a notice that contains the email address to contact Defendant if the
24 screening report contains prohibited or inaccurate information.

25 11. If an applicant at one of Defendant’s California residential rental properties
26 notifies Defendant that a screening report may contain COVID-19 rental debt (“Applicant
27 Contact”), Defendant shall, within five business days of receiving the Applicant Contact, notify
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1 the screening company that prepared the report of the disputed information identified in the
2 Applicant Contact.

3 12. If a screening company notifies Defendant that it has made any corrections to a
4 screening report or that it has identified any prohibited or inaccurate information in a screening
5 report previously provided to Defendant for its California residential rental properties, Defendant
6 shall notify the rental applicant of the screening company's actions. Defendant shall provide this
7 notice within three business days, and shall at the same time offer the rental applicant the
8 opportunity for their application to be reconsidered. If the original rental unit is no longer
9 available, Defendant shall offer the rental applicant the opportunity to reapply for any available
10 vacant units. Defendant shall not collect from the applicant any additional fees or deposits in
11 exchange for having their application reconsidered, or for reapplying for housing, pursuant to this
12 paragraph.

13 13. Defendant shall notify its screening companies of any Applicant Contact relating
14 to one of its screening reports. If, after receiving such notice, a screening company fails on 12
15 separate occasions during any twelve-month period to review the Applicant Contact and alert
16 Defendant whether an Applicant Contact contained COVID-19 rental debt within five business
17 days, Defendant shall seek reasonable assurance from the company that it has taken measures to
18 prevent delays with further Applicant Contacts. If the screening company cannot provide such
19 assurances, Defendant will immediately give notice to the screening company that Defendant will
20 stop using that company for rental applicant screening for a period of two years starting 60 days.
21 Should the screening company fail to complete its review within five business days for an
22 additional two Applicant Contacts after such notice, Defendant will terminate the screening
23 company's contract and stop using the screening company.

24 14. Within two business days of receiving an Applicant Contact, Defendant shall offer
25 the applicant the opportunity to provide evidence or proof: (a) of mitigating circumstances related
26 to disputed credit or rental history issues, including but not limited to lawful, verifiable evidence
27 of the applicant's reasonable ability to pay their portion of the rent, such as government benefit
28 payments, pay records, and bank statements; or (b) that the screening report contained "COVID-

1 19 rental debt,” as defined in Civil Code section 1179.02. If the applicant provides information
2 that would establish that they can meet the requirements of tenancy, Defendant must offer the
3 applicant its next available unit of a comparable size and rental price at the residential rental
4 property to which the application was submitted. If Defendant thereafter proceeds in making a
5 decision that results in housing not being offered to the applicant, it must specify in writing,
6 within five business days, all reasons that the housing was not offered, and it must list all
7 information that was used to support its decision.

8 15. Within six months following entry of this Judgment, Defendant shall train its
9 applicant-facing employees on its policies and procedures: (a) to verify compliance by any rental
10 applicant screening company used by Defendant with all laws applicable to tenant screening, and
11 (b) for responding to notifications that a rental applicant believes their screening report contains
12 prohibited or inaccurate information. These trainings shall be conducted thereafter annually.

13 16. For three years following entry of this Judgment, Defendant shall provide reports
14 every six months to the Attorney General. The reports shall identify each of the following:

- 15 A. Certification of compliance with paragraphs 6 and 7 above;
- 16 B. The number of Applicant Contacts Defendant has received during the
17 previous six months, including separate identification of the number of those
18 Applicant Contacts that are based on the screening report containing incorrect
19 information, and the number that are based on the screening report containing
20 prohibited information;
- 21 C. The number of Applicant Contacts that resulted in Defendant’s screening
22 company issuing a corrected screening report, including separate
23 identification of the number of those Applicant Contacts that are based on the
24 screening report containing incorrect information, and the number that are
25 based on the screening report containing prohibited information; and
- 26 D. The number of Applicant Contacts where Defendant’s screening company
27 failed to notify Defendant of the results of its review within 5 business days.
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1 17. The first compliance report for each of paragraphs 15 and 16 above shall be
2 provided within six months after entry of this Judgment, and shall also include a description of
3 the measures Defendant has taken to comply with the injunctive terms of this Judgment.

4 18. For three years following entry of this Judgment, Defendant shall preserve all
5 documents demonstrating compliance with the terms of this Judgment, including copies of all
6 Applicant Contacts, all of Defendant's communications with a rental applicant concerning an
7 Applicant Contact, and any evidence of incorrect information or mitigating circumstances
8 submitted to Defendant by an applicant.

9 **ADDITIONAL PROVISIONS**

10 19. Jurisdiction is retained by the Court for the purpose of enabling any party to the
11 Judgment to apply to the Court at any time for such further orders and directions as may be
12 necessary or appropriate for the construction or the carrying out of this Judgment, for the
13 modification of any of the injunctive provisions hereof, for enforcement of compliance herewith,
14 and for the punishment of violations hereof, if any.

15 20. Any notices required to be sent to the People or to Defendant under this Judgment
16 shall be sent by email to the following. Any party may update its designee or address by sending
17 written notice to the other party informing them of the change.

18 a. For the People of the State of California:

19 Deputy Attorney General Michael Novasky
20 Deputy Attorney General Rachel Foodman
21 Supervising Deputy Attorney General Tina Charoenpong
22 Consumer Protection Section
23 Office of the Attorney General
24 300 South Spring Street, Suite 1702
25 Los Angeles, CA 90013
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26 b. For Defendant:

27 Veronica R. Guzman, Esq.
28 Todd A. Brisco, Esq.
Todd A. Brisco & Associates, APC

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2200 West Oranewood Avenue, Suite 250
Orange, CA 92868
briscoassociates@briscoassociates.com

21. The clerk is ordered to enter this Judgment forthwith.

ORDERED AND ADJUDGED at

DATED: _____

JUDGE OF THE SUPERIOR COURT