[ORGANIZATION/COMPANY LETTERHEAD]

[DATE], 2020

The Honorable Lena Gonzalez

California State Senate

Sacramento, CA 95814

***Re: OPPOSITION for SB 939 – UNFAIRLY NEGATES LEASES & HARMS BUSINESSES***

Dear Senator Gonzalez:

I am writing to express strong OPPOSITION to SB 939, which will put small property owners into foreclosure by forcing them to float rent for all tenants and gives restaurants the right walk away from a lease without squaring up for owed rent nor paying for property improvements.

The COVID-19 virus continues to infect populations around the world, putting the health and safety of our communities here in California at serious risk. ALL businesses are impacted by this pandemic, however your bill only provides protection to a small segment, while shifting economic harm to other private businesses and removing rights from those who happen to be in the business of leasing space.

Governor Gavin Newsom has shown courageous leadership in issuing a series of executive orders limiting evictions, including Executive Order N-28-20 which gives local government the ability to protect commercial tenants from evictions. Legislative leadership has also proposed a plan that helps BOTH lessors and lessees. I request your bill be changed to protect all businesses and not a special subset.

By withholding rent for more than a year, removing existing legal remedies and rights to lessors for an extended period of time, and giving only one party to a contract the right to walk away from a legal obligation with no responsibilities, SB 939 clearly violates the Contracts Clause of the U.S. Constitution and fails the basics of the Blaisdell Test that any court will apply to this legislation. SB 939 is not narrowly tailored to the problem, does not balance the needs of both parties, create a substantial impairment to one party to the contract, and is not a necessary solution as existing remedies under current law exist.

SB 939 will unreasonably deny commercial real estate lessors income which will push many into foreclosure, force them to lay-off staff, and will set a bad precedent that undermines all contracts in the state.

I understand your bill is well intended, but it will hurt my company and employees. Please change or drop your bill before it brings further harm to the state.

Sincerely,

[NAME & TITLE]

[INCL. CONTACT INFO]

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SEND VIA EMAIL to:

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