

CalRHA Legislative Updates



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Budget Update

Last month, the Legislature passed and the Governor signed a \$310 billion spending plan that protects core programs and covers a \$30 billion budget deficit. You may find the Governor's press release highlighting the signing, budget trailer bills, and infrastructure package at <https://gov.ca.gov/2023/07/10/governor-newsom-signs-infrastructure-budget-legislation-to-build-more-faster/>. CalRHA supported an increase in the renters' tax credit, which was successfully included in the state budget.



CA Governor
Gavin Newsom

Governor Newsom/Attorney General Announcements on Housing Production

The Governor has also announced housing production in five cities and counties. As such, Long Beach, Moreno Valley, Santa Rosa, Sonoma County, and the Town of Windsor have been designated as Prohousing communities. Through this designation, these jurisdictions are now eligible for funding incentives and additional resources through a state grant program designed to speed housing production.



CA Attorney-General
Rob Bonta

Meanwhile, the Attorney General has issued guidance for cities trying to skirt the development of more housing. In the guidance, Attorney General Bonta includes the following information:

- Written legislative findings are required to support claims that SB 9 or AB 2011's requirements could pose a threat to public health, safety, or welfare. Such findings must be made with specificity; otherwise, an urgency zoning ordinance is likely invalid. Laws requiring ministerial approval of housing development, such as SB9 or AB2011, do not by themselves constitute

a current and immediate threat to public health, safety, or welfare. Generalized concerns about visual or aesthetic standards are insufficient to support an urgency ordinance.

- In addition, urgency zoning ordinances must demonstrate immediate need, meaning that local agencies face immediate threats.
- To keep an urgency zoning ordinance prohibiting multifamily housing in place beyond 45 days, local jurisdictions must identify a significant, quantifiable, direct, and unavoidable impact based on objective policies in existence at the time the ordinance is adopted. Local jurisdictions must also demonstrate that there is no feasible alternative that would mitigate or avoid the adverse impact "as well or better, with a less burdensome or restrictive effect," than the urgency ordinance.

Legislative Update - Status of Legislation at Summer Recess

The Legislature is now on their four week summer recess until August 14th. When they return, bills will be heard in the Appropriations Committee and on the Floor. The deadline for bills to pass to the Governor is September 14th. The five weeks after they reconvene from summer recess will be filled with activity and end of session deals. CalRHA has a number of bills that we are still actively lobbying. It is important to take stock of the accomplishments so far this year. For example, we have been able to hold the following problematic bills:

- AB 919 (Kalra) Tenant Opportunity to Purchase
- AB 1035 (Muratsuchi) Mobile Home Park Rent Cap
- ACA 3 (Lee) Wealth Tax
- SB 395 (Wahab) Statewide eviction database
- SB 460 (Wahab) Ban the Box on Rental Applications
- SB 466 (Wahab) Repeal of Costa-Hawkins Rental Act
- SB 594 (Durazo) Disclosure of Beneficial Ownership Information
- SB 611 (Menjivar) Rental Advertisements
- SB 863 (Allen) Notice to Terminate.

Highlights of Several Legislative Bills that CalRHA Continues to Lobby

AB 12 (Haney, D-San Francisco) Tenancy: Security Deposits – OPPOSE. Would prohibit a landlord from receiving a security deposit for a rental agreement in an amount in excess of one month's rent, regardless of whether the residential property is unfurnished or furnished. There are discussions underway of exempting small landlords. The bill is on the Senate Floor.



CA Assemblyperson
Matt Haney

AB 1317 (Carrillo, D-LA) Unbundled Parking – OPPOSE. Would require the owner of residential real property that provides parking with a residential unit to unbundle parking from the price of rent ("unbundled parking" selling or leasing parking spaces separate from the lease of the residential use). CalRHA has had productive conversations with the author's office, but is still opposing. The bill is on the Senate Floor.



CA Assemblyperson
Wendy Carrillo

ACA 1 (Aguiar-Curry) Voter Approval Threshold – OPPOSE. ACA 1 lowers the voter threshold from a two-thirds supermajority to 55% majority to approve local (city, county, and special district) GO bonds and certain special taxes for affordable housing, public infrastructure, and permanent supportive housing projects, and defines those terms. ACA 1 passed the Assembly Local Government Committee in July and is pending in the Assembly Appropriations Committee.

ACA 10 (Haney) Fundamental Human Right to Housing – OPPOSE. Establishes that the state recognizes the fundamental human right to adequate housing for everyone in California. This right is a shared obligation of state and local jurisdictions to respect, protect, and fulfill this right, on a non-discriminatory and equitable basis, with a view to progressively achieve the full realization of the right, by all appropriate means, including the adoption and amendment of legislative measures, to the maximum of available resources. ACA 10 passed the Assembly Housing and Community Development Committee in June and is pending a hearing in the Assembly Appropriations Committee, but has a fairly large fiscal estimate.

SB 267 (Eggman) Credit History of Persons Receiving Government Rent Subsidies – OPPOSE.

Would prohibit the use of a person's credit history as part of the application process for a rental housing accommodation without offering the applicant the option of providing alternative evidence of financial responsibility and ability to pay in instances in which there is a government rent subsidy and would require that the housing provider consider that alternative evidence in lieu of the person's credit history. SB 267 is pending a hearing in the Assembly Appropriations Committee.



CA Senator
Susan Eggman

SB 567 (Durazo) Just Cause Evictions – OPPOSE.

This bill has been amended several times. In the Senate Judiciary Committee, the Chair negotiated language that removed the change to rent caps, etc. In the Assembly, the bill has been amended to give the rental property owners the ability to do mold remediation and broadens the definition of owner. Penalties in the bill are still a concern, but the author has expressed a willingness to work with the opposition. SB 567 is pending a hearing in the Assembly Appropriations Committee.



CA Senator
Maria Elena Durazo

As always, CalRHA will keep you informed as these bills make their way through the Legislature. We will be sure to send out Calls to Action when we are at a pivotal juncture and your involvement could help determine the outcome.

The remainder of the legislative calendar for the year is as follows:

August 14 Legislature reconvenes from summer recess

September 1 Last day for fiscal committee to pass bills to the Floor

September 8 Last day to amend bills on the Floor

September 14 Last day for bills to pass the Floor in the second house

October 14 Last day for Governor to sign or veto bills