

CalRHA Legislative Updates



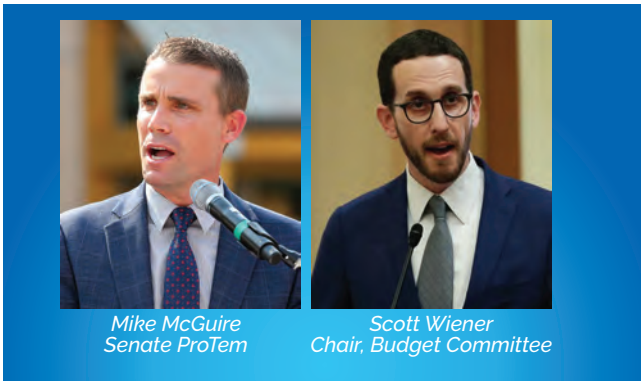
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February 2024

Public Policy Update

Political / Senate Committee Update

The Senate Pro Tem, Mike McGuire (D-Healdsburg) has now taken the helm in the Senate and announced several changes to the Senate Committees, which can be found on Senator McGuire's website (sd02senate.ca.gov). Of note, Senator Scott Wiener (D-SF) is now the Chair of the Senate Budget Committee, Senator Nancy Skinner (D-Berkeley) is Chair of Senate Housing Committee, and Senator Anna Caballero (D-Merced) is the new Chair of Senate Appropriations. Senator Tom Umberg (D-Santa Ana) retained his Chairmanship of the Judiciary Committee.



Mike McGuire
Senate ProTem

Scott Wiener
Chair, Budget Committee



Nancy Skinner
Chair, Senate
Housing Committee

Anna Caballero
Chair, Senate
Appropriations

Tom Umberg
Chair, Senate
Judiciary Committee

Full membership of the Housing Committee is:

- Senator Nancy Skinner (D-Berkeley), Chair
- Senator Rosilicie Ochoa Bogh (R-Yucaipa), Vice-Chair
- Senator Catherine Blakespear (D-Encinitas)
- Senator Anna M. Caballero (D-Merced)
- Senator Dave Cortese (D-San Jose)

- Senator Susan Talamantes Eggman (D-Stockton)
- Senator Caroline Menjivar (D-San Fernando Valley)
- Senator Steve Padilla (D-San Diego)
- Senator Kelly Seyarto (R-Murrieta)
- Senator Thomas J. Umberg (D-Santa Ana)

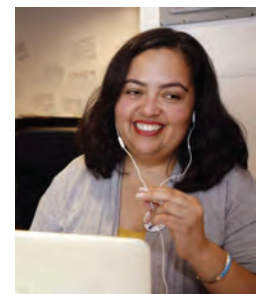
Full membership of the Senate Judiciary Committee is:

- Senator Thomas J. Umberg (D-Santa Ana), Chair
- Senator Roger W. Niello (R-Fair Oaks), Vice-Chair
- Senator Benjamin Allen (D-Santa Monica)
- Senator Angelique V. Ashby (D-Sacramento)
- Senator Anna M. Caballero (D-Merced)
- Senator Maria Elena Durazo (D-Los Angeles)
- Senator John Laird (D-Santa Cruz)
- Senator Dave Min (D-Irvine)
- Senator Henry I. Stern (D-Los Angeles)
- Senator Aisha Wahab (D-Hayward)
- Senator Scott Wilk (R-Santa Clarita)

Legislative Update

The bill introduction deadline is this Friday, February 16th. There will be many more bills coming into print in the coming days. However, several bills are highlighted below.

In 2024, CalRHA is working with Assemblymember Wendy Carrillo (D-Los Angeles) as a sponsor to her bill which would have the Housing and Community Development Department publish the correct allowable rent increases every August. This will provide clarity and reliability for rental property providers.



Assemblymember
Wendy Carrillo

Furthermore, CalRHA has been advocating for a shallow rent subsidy for tenants who are at risk of losing housing. Therefore, we are pleased to support the legislation that has been introduced on

on the issue in 2024 in the form of AB 1813 (Alanis, R-Modesto) and AB 2498 (Zbur, D-Santa Monica). It will continue to be a priority for CalRHA to advocate for not just rental property providers, but for the necessary assistance for tenants that are in need of additional resources.



Assemblyperson
Juan Alanis



Assemblyperson
Rick Chavez Zbur

Bills of interest to date, include:

AB 2059 (Flora, R-Ripon)

Tenancy: Obligations of Landlords: Repairs. This bill would prohibit a landlord from being liable for dilapidations rendering the premises untenable, unless the landlord receives written or oral notice of the dilapidations and the landlord is given a reasonable time to repair the dilapidations.



Assemblyperson
Heath Flora

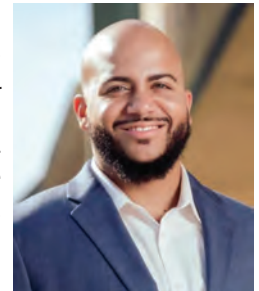
AB 2114 (Irwin, D-Thousand Oaks)

Exterior Elevated Elements: Inspection. This bill would also allow licensed civil engineers to perform balcony inspections.



Assemblyperson
Jacqui Irwin

AB 2187 (Bryan, D-Culver City)
Office of Tenants' Rights and Protections. Placeholder bill stating the intent of the Legislature to enact subsequent legislation to establish the Office of Tenants' Rights and Protections.



Assemblyperson
Isaac Bryan

AB 2493 (Pellerin, D-Santa Cruz).

Tenancy: Application Screening Fee: Waiting List. Would prohibit a landlord or their agent from charging an applicant an application screening fee to be entered onto a waiting list when they know or should have known that no rental unit is available at that time or will be available within a reasonable period of time.



Assemblyperson
Gail Pellerin

AB 2498 (Zbur, D-Santa Monica)

Housing: the California Housing Security Act. Would, upon appropriation of the Legislature, establish the California Housing Security Program to provide a housing subsidy to eligible persons, as specified, to reduce housing insecurity and help Californians meet their basic housing needs. To create the program, the bill would require the Department of Housing and Community Development to establish a 2-year pilot program in up to 4 counties, as specified. The bill would require the department to issue guidelines to establish the program that include, among other things, the amount of the subsidy that shall be the amount necessary to cover the portion of a person's rent to prevent homelessness, but shall not exceed \$2,000 per month.



Assemblyperson
Rick Chavez Zbur

NOTE: The complete list of Senate Pro Tem, Mike McGuire's changes to the Senate Committees can be found at <https://sd02.senate.ca.gov/news/senate-leader-mike-mcguire-announces-senate-democratic-leadership-team-committee-membership>

PRESS RELEASES

February 14, 2024

CalRHA issued the press release below calling on Insurance Commissioner Lara to expedite solutions for stabilizing California's property insurance. This was in response to Lara's announcement earlier this week regarding the regulatory process and timeline for adoption.



Comissioner Ricardo Lara

SACRAMENTO, Calif. – The California Rental Housing Association (CalRHA) commends California Insurance Commissioner Ricardo Lara for taking action and proposing regulations to stabilize the property insurance market.

Proposed regulations aim to streamline submission requirements, ensure timely delivery of crucial information, and mandate that insurers provide necessary data for the Insurance Commissioner's assessment of rate appropriateness to verify they are not excessive, inadequate, or unfairly discriminatory.

"Rental property owners who provide housing for millions of Californians have been overly burdened by the sharply increasing costs of homeowners insurance and long delays in processing coverage policies, ultimately causing us to carry the financial burden," said Earle Vaughan, CalRHA President. "We appreciate the Insurance Commissioner engaging to find a solution and urge him to expedite the process."

Commissioner Lara is now receiving public comment on the regulations. Anyone may submit written comments to the Department of Insurance until March 26, 2024, at which time the Commissioner will hold a public hearing.

We look forward to working with Commissioner Lara to address California's increasingly complex and costly insurance market.

February 16, 2024

CalRHA sponsors AB 2278 (W. Carrillo) to provide clarity on maximum allowable rent increases.

SACRAMENTO, Calif. – The California Rental Housing Association (CalRHA) is proud to sponsor AB 2278 (W. Carrillo), a newly introduced bill that will require the California Department of Housing and Community Development (HCD) to publish maximum rent increases per region each year, protecting property owners from potential violations and lawsuits while providing tenants clarity on potential increases to their rent. AB 2278 expands on previous legislation, AB 1482 (Chiu), which prohibits owners from increasing a tenant's rent by more than 5% plus inflation, or 10%, whichever is lower. Yet, no agency is required to stipulate that figure, causing confusion for property owners. AB 2278 (W. Carrillo) would require that the HCD clearly stipulate the maximum rent increase.



*Assemblywoman
Wendy Carrillo*

"Assemblywoman Wendy Carrillo's AB 2278 is a simple, straightforward fix to a glaring issue. It would provide property owners with clear thresholds on maximum allowable rent, maintaining the viability of keeping rent at a fair, equitable cost for Californians," said Earle Vaughan, CalRHA President. "This bill would directly impact numerous rental housing associations and property owners across the state and support them with defined guidelines enabling safe and fair practices."

According to the previous legislation, AB 1482, "the percentage change in the cost of living" is defined by the percentage change from April 1 of the prior year to April 1 of the current year in the regional Consumer Price Index for the region where the residential real property is located, as published by the United States Bureau of Labor Statistics. Using this method, property owners are able to service tenants with visibility and clarity on rental payments. AB 2278 will clarify this process, ensuring full transparency for all parties involved.

We look forward to working with Assemblywoman Wendy Carrillo, the Legislature, and the Governor to continue to tackle the housing crisis and to promote quality affordable housing for all Californians.