CalRHA Legislative Updates

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Budget Update

Sacramento is back in full swing. Governor Newsom released his proposed 2025-26 budget on January 10th, which was presented by the Department of Finance Director, Joe Stephenshaw, given the Governor's attention on the fire emergencies in Southern California. The summary and detail may be found at https://ebudget.ca.gov/.



Finance Director Joe Stephenshaw

The Governor is proposing a balanced budget of \$322 billion, which is the second largest spending plan ever. We are facing a surplus of \$363 million, with almost \$17 billion more in revenue than expected. Part of his proposal is the creation of a new Housing and Homelessness Agency.

Other highlights of the budget include:

Housing

- Does not include new funding for housing and does not propose funding for the Low Income Housing Tax Credit.
- Proposes to establish a new California Housing and Homelessness Agency, which will be released in the spring through a Reorganization Plan submitted to the Little Hoover Commission.
- Puts forth housing policy principles that would reduce costs, enhance accountability and coordinate housing and transportation.

Homelessness. Includes \$100 million for Encampment Resolution Fund grants. States that any future homelessness funding for local governments include stronger accountability policies. Provides that the Administration will increase accountability efforts around the implementation of the HHAPP Fund.

<u>California Consumer Protection Agency.</u> The Governor's Budget Summary notes the recent creation of the California Consumer Protection Agency, with additional details to be provided in the spring via a plan submitted to the Little Hoover Commission.

Legislative Update

Senate President pro Tempore Mike McGuire (D-North Coast) today announced the Senate's committee membership assign- ments for the 2025-26 Senate Democratic Leadership Team, Legislative Session, and First Extraordinary Session.

All the committee appointments may be found at https://sdo2.senate.ca.gov/news/senate-leader-mcguire-announces-leadership-team-committee-membership-2025-26-legislative

Of note, Senator Aisha Wahab (D-Hayward) is the new Chair of the Senate Housing Committee and Senator Tom Umberg (D-Anaheim) retained his chairmanship of the Senate Judiciary Committee.





CA Senator Tom Umberg

Senator Monique Limón (D-Santa Barbara) will serve on the following committees:

- Banking and Financial Institutions
- Elections and Constitutional Amendments
- Energy, Utilities and Communications



CA Senator Monique Limón

- Health
- Human Services
- Natural Resources and Water (chair)
- Transportation
- Joint Committee on Rules
- Joint Legislative Committee on Climate Change Policies
- Joint Legislative Committee on Emergency Management.

The Assembly has announced Committee Chairs and Vice Chairs, which may be found at https://speak-er.asmdc.org/press-releases/20241227-speaker-robert-rivas-announces-new-assembly-committee-chair-appointments

Full committee make-up is expected imminently. Of note, Assemblymember Matt Haney (D-San Francisco) is the new Chair of the Assembly Housing Committee and Assembly Ash Kalra (D-San Jose) has retained his chairmanship of the Assembly Judiciary Committee.







CA Assemblyperson Ash Kalra

A few key legislative bills have been introduced so far, including:

- AB 11 (Lee) Social Housing
- AB 21 (DeMaio) Taxpayer Protection Act of 2025
- SB 9 (Arreguin) ADU Owner-Occupancy Requirement
- SB 52 (Perez) Housing Rental Rates and Algorithmic Devices

If you would like to help the southern California wildfire victims, by listing your available housing or by donation, please go to https://www.socalfireshousing.org



CA Assemblymember Alex Lee



CA Assemblymember Carl DeMaio



CA Senator Jesse Arreguín



CA Senator Sasha Renée Pérez

The Legislative calendar for the year is as follows:

January 24th–Deadline to submit bill request to Legislative Counsel

February 21st-Last day for bills to be introduced

April 11-18 - Spring Recess

May 2nd-Policy Committee Deadline for Fiscal Bills

May 9th-Policy Committee Deadline for Nonfiscal Bills

May 23rd-Appropriations Committee Deadline

June 6th-Deadline for bills to pass the Floor in their House of Origin

June 15th-Deadline to Pass Budget Bill

July 18th–Policy Committee Deadline in Second House

July 18th-August 15th -Summer Recess

August 29th–Appropriations Committee Deadline in Second House

September 12th-Recess Begins

October 12th –Last Day for the Governor to Sign or Veto Legislation

1/16/2025 LEGISLATIVE UPDATES

Executive Order Related to Housing and SoCal Wildfires

Governor Newsom issued Executive Order N-9-25 today. The Order suspends certain permitting and construction mandates. while also expanding restrictions on evictions and associated rental housing pricing, in response to the recent fires in Los Angeles and Ventura Counties.



Housing provisions of note:

- Provision 13 extends price gouging of rental housing AND evictions that result in re-renting units at a higher rate in Los Angeles County until March 8, 2025.
- Provision 2 suspends certain environmental and coastal permitting and construction provisions for new Accessory Dwelling Units (ADUs).
- Provision 3 allows ADUs on residential properties damaged by fires to be occupied before repair and construction of the primary residence is complete. This provision is in effect for three years.

CalRHA is working to provide additional clarity and guidance to members. The Executive Order may be found at https://www.gov.ca.gov/wp-content/uploads/2025/01/EO-Temp-Housing_1.16.25-GGN-Signed-Final-for-Print.pdf.

The provisions of Executive Order N-9-25 are summarized below:

- Comprehensive Housing Plan: State agencies will work with local authorities to create a plan for temporary and long-term housing for displaced residents.
- Streamlined Accessory Dwelling Units (ADUs): Certain environmental and coastal regulations related to ADU permitting and construction are lifted.
- 3. Flexible Housing Certifications: Rules requiring that repairs and construction of a primary dwelling be completed before an ADU on the same property can be occupied are suspended for three years.

- 4. Temporary Housing Flexibility: Local restrictions on using manufactured homes, mobilehomes, and RVs on private lots during rebuilding are suspended for three years.
- 5. **Simplified Mobilehome Rules:** Regulations for mobilehome parks, including environmental standards, are suspended for three years.
- Suspended Zoning Laws: Zoning requirements for RVs and mobilehome parks are lifted to provide more flexible housing solutions are suspended for three years.
- 7. Health and Safety Standards: The state will establish standards for safe operation of mobilehomes, manufactured homes, and RVs. Fee Waivers: Fees related to manufactured housing for displaced persons are suspended for three years.
- 8. Park Manager Fees Waived: Mobilehome park manager training program fees for operators in affected wildfire areas are suspended for three years.
- Residency Law Protection Program Fees Waived: Fees under the Mobilehome Residency Law Protection Program are suspended for three years.
- Employee Housing Fees Waived: Permit fees for employee housing facilities used by evacuees are suspended for three years.
- 11. Fairgrounds Available for Housing: State fairgrounds can be used for temporary housing without additional approvals.
- 12. Extended Anti-Price Gouging and Eviction Restrictions: Price gouging rules established in Penal Code Section 396 related to rental housing, motels, hotels in Los Angeles County are extended until March 8, 2025. Prohibitions on eviction of a tenant and re-renting the unit at a higher price in LA County are also extended until March 8, 2025.

The matters discussed herein are being provided for informational purposes only. If you have any questions regarding your property or specific leasing issues, or the requirements of any local or state laws, please consult with your legal counsel.

1/16/2025 LEGISLATIVE UPDATES (continued)

Assembly Speaker Robert Rivas and Los Angeles Assemblymembers Announce Actions to Fast-Track Fire Recovery, Keep Displaced Californians Housed

FOR IMMEDIATE RELEASE: Thursday, January 16, 2025

ADENA — Today, Speaker Robert Rivas and members of the California State Assembly gathered together at incident command at the Rose Bowl to announce legislation to fast-track recovery, keep fire victims housed, and allocate billions to help Los Angeles County recover.



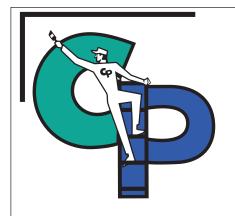
"We are moving right now to keep Californians housed as recovery begins, speed up recovery, and approve billions of dollars in funding to kickstart toxic debris removal and rebuild and repair schools. Families must be able to send their children back to school immediately," said Rivas (D-Salinas).

"Let me be very clear," said Rivas, "We must reshape our state government so that we are better able to prevent disasters like this from happening again. All options must be on the table. We'll have more to say on that real soon. Right now we want those affected by the fires to know that immediate help is on the way so you can begin to rebuild."

The announcement comes after Speaker Rivas met with L.A. Assemblymembers and local officials, and visited the Altadena, Malibu and Palisades communities.

Legislation Announced to Help Fire Victims

- Stop new building standards: L.A. homeowners need clarity on their path to rebuilding. A new bill from Assemblymember Nick Schultz (D-Burbank) would mandate no new additions to state or local building standards, unless required to address health and safety risks or to add fire resistant technology.
- Accelerate state permit review for governments reconstruction: Local are already required to follow specific approval timelines, depending on size of a project. This new law will require state agencies involved in permitting to follow the same guidelines. which buildina. will speed uр Assemblymember Pilar Schiavo (D-Santa Clarita) is the author of this legislation.
- Expedite construction of ADUs in the Coastal Zone: Authored by Assemblymember Rick Chavez Zbur (D-Hollywood), this legislation will change the law in the coastal zone so homeowners will no longer need to get a coastal development permit for an ADU. This policy works: In Sonoma County after the Tubbs Fire, the stock of available housing was so low that government encouraged ADUs, and this increased housing supply in the region.
- Keep displaced Californians housed: Under existing law, tenancy rights kick-in after 30 days for Angelenos staying in a motel or hotel or Airbnb. This means some short-term-rental landlords do not rent longer than 30 days. This law by Assemblymember Jesse Gabriel (D-Encino) will lift this 30-day rule for L.A. County.
- Prohibit evictions if a tenant shelters wildfire victims or their pet: This law will create a temporary eviction exemption to allow those displaced to remain in their temporary homes.
 Assemblymember Tina McKinnor (D-Inglewood) will author this legislation.



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Statements from L.A. Delegation

Assemblymember Jesse Gabriel (D-Encino)

"I want to express my deepest gratitude to the courageous firefighters, law enforcement officers, and emergency personnel who have risked their lives to protect our homes and loved ones. The Assembly is already working to support recovery efforts, help cut



CA Assemblyperson Jesse Gabriel

through red tape, and ensure displaced residents have access to safe and stable shelter."

Assemblymember John Harabedian (D-Pasadena)

"I grew up in Sierra Madre and have always been proud of our community's strength, diversity, and unity. This past week has tested us like never before, as many have lost homes, jobs, and places of worship," said Assemblymember John Harabedian. "Recovery won't be easy, but by



CA Assemblyperson John Harabedian

supporting one another, I know we can rebuild and I'll be with you every step of the way. I look forward to working with Governor Newsom, Speaker Rivas, and Pro Tem McGuire to provide swift relief to our community."

Assemblymember Jacqui Irwin (D-Thousand Oaks)

"I am heartened by what I see within the communities impacted by the Palisades and Eaton Fires. Communities that are rallying behind those who have suffered the loss of their homes and businesses. What we heard today was a unified message, one voice speaking



CA Assemblyperson Jacqui Irwin

in unison, committed to doing whatever is possible to lessen the burden of the fire victims and expedite their return to normalcy. These are our friends, our neighbors, our families, who have suffered unimaginable losses as a result of these unprecedented fires. We want you to know that we stand beside you during these trying times."

Assemblymember Tina McKinnor (D-Inglewood)

"On behalf of the bipartisan, 37 Members of the LA County Legislative Delegation, we have a simple message for our fellow Angelinos: we've got your back. LA County - we got you. The State of California will be with you now and in the days, months and years ahead



CA Assemblyperson Tina McKinnor

as we rebuild from this devastating natural disaster. The LA County Legislative Delegation is unified in working closely with Speaker Rivas, pro Tem McGuire, Governor Newsom and our Republican colleagues to ensure that all necessary resources are made available to help LA County families and small businesses equitably rebuild."

Assemblymember Pilar Schiavo (D-Chatsworth)

"As Californians begin the process of rebuilding from the devastating impacts of these wildfires, it's critical that we stand united in supporting the victims and their families. I'm committed to working with my colleagues to ensure we bring the necessary resources and



CA Assemblyperson Pilar Schiavo

long-term solutions to recover and rebuild stronger than before. That's why I am authoring legislation with Speaker Rivas to make sure the State rises to the occasion to speed up state permitting and get housing built quickly - removing red tape so our community can recover."

Assemblymember Rick Chavez Zbur (D-Hollywood)

"We are committed to supporting the people of Los Angeles as they rebuild in the wake of these devastating wildfires. Our focus is not only on rebuilding structures but also on restoring hope and stability for families affected by this crisis. Together with my



Rick Chavez Zbur

colleagues, we are introducing critical legislation that will expedite recovery efforts and ensure that our communities can rebuild stronger than ever. We must meet this challenge with urgency and determination—it is our moral imperative to support those who have lost so much. I want to express my gratitude to Assembly Speaker Rivas and his team for jumping into action and bringing us together for L.A."