

CalRHA Legislative Updates

Kate Bell, KateBellStrategies.com



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Senate Budget Update

Governor Newsom is expected to release his May Revision to the State Budget on Wednesday, May 14th. Once published, the May Revision summary and detail will be available at www.ebudget.ca.gov. However, insiders have indicated that the state is facing a nearly \$10 billion deficit, in addition to drastic federal cuts that are yet to be determined. For example, President Trump has called for a 43% reduction in federal rent assistance/Section 8.



Legislative Update

We have now passed the policy committee deadline for fiscal and non-fiscal bills and the main focus is on the Appropriations Committees in both houses. The deadline to pass the Appropriations Committees is May 23rd and the Suspense Files are expected to be taken up on May 22nd. At that time, bills on the Suspense File will either pass, pass with amendments, or be held/no action.

Senate Bill 448 (Umberg/ D-Santa Ana) Squatter Removal, sponsored by CalRHA, which aims to address the issue of trespassers/squatters on rental property and their removal by law enforcement, was successfully passed by the Senate Public Safety and Judiciary Committees on a unanimous vote and is now on Suspense in the Appropriations Committee, awaiting action by May 22nd. SB 448 defines a squatter as an individual who unlawfully enters and remains in a residential property and, upon request, refuses to vacate or falsely claims a legal right of possession. This legislation would establish a procedure for notification utilizing an SB 602 form and the removal of a squatter by a local law enforcement agency. The bill is now co-sponsored by the Realtors and has garnered support from a broad coalition, including law



*CA Senator
Tom Umberg*

enforcement and tribal organizations. Several op-eds (<https://www.sacbee.com/opinion/op-ed/article/306070231.html#storylink=cpy>) have been published, as well.

In a huge victory for the industry, **Assembly Bill 1157 (Kalra/D, San Jose) Just Cause and Rent Caps**, which would have significantly altered the existing just cause and rent cap provisions established under AB 1482, the Tenant Protection Act of 2019, **failed passage** in the Assembly Judiciary Committee and is now a two-year bill, eligible to move in 2026. See page xx for more details on the withdrawal of this bill for consideration.



*CA Assembly
Ash Kalra*

Assembly Bill 246 (Bryan/D, Culver City) Social Security Tenant Protection Act. This bill was gutted and amended on April 10th. The bill would now, until January 20, 2029, enact the Social Security Tenant Protection Act of 2025, which would prohibit a court, during a declared social security benefit payment interruption, from issuing a summons on a complaint for unlawful detainer in any action that seeks possession of residential real property and that is based, in whole or in part, on nonpayment of rent or other charges, if the defendant experiences a loss of income due to the social security benefit payment interruption. Furthermore, AB 256 would also require any 3 days' notice that demands payment of covered rental debt, as defined, that is served on a tenant during a declared social security benefit payment interruption to meet specified criteria, including that the notice include an unsigned copy of a declaration of social security-related financial distress and that the notice advise the tenant that the tenant will not be evicted for failure to comply with the notice if the



*CA Assembly
Isaac Bryan*

tenant delivers a signed declaration to the landlord. [CalRHA is opposed to AB 246, which is set for a hearing on May 14th in the Assembly Appropriations Committee.](#)

Assembly Bill 311 (McKinnor/D, Inglewood) Dwelling Units: Persons and Risk of Homelessness. AB 311 would also permit a tenant, with written approval of the owner or landlord, to temporarily permit the occupancy of their dwelling unit by a person who is at risk of homelessness and one or more common household pets owned or otherwise maintained by the person and increase rent, subject to state and local ordinances. [CalRHA has taken a support position on this bill, which has passed to the Senate and is pending in the Judiciary Committee.](#)



CA Assembly
Tina McKinnor

Assembly Bill 414 (Pellerin/D, Santa Cruz) Residential Tenancies: Return of Security. This bill has been amended and would generally require a landlord to return the security by personal delivery or by check made payable to the tenant. If the landlord received the security or rental payments from the tenant electronically, the bill would instead require the tenant to return the remainder of the security electronically, as specified, unless the landlord and tenant designated another method of return, by written agreement. The bill would also instead authorize the landlord and tenant to mutually agree, as specified, to provide the itemized statement by either email to an email account provided by the tenant or mail by first-class mail, postage prepaid, to an address provided by the tenant. [AB 414 has passed to the Senate and is pending in the Judiciary Committee.](#)



CA Assembly
Gail Pellerin

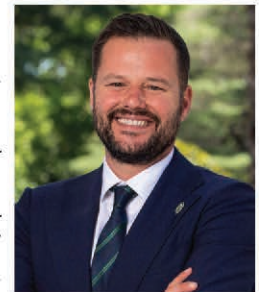
Assembly Bill 1183 (Lowenthal/D, Long Beach) Residential tenancy: habitability – inspection and right to cure. This gut and amend came into print on March 28th. AB 1183 would authorize the landlord of a dwelling unit to elect to have an inspection performed to verify that the dwelling unit satisfies the habitability



CA Assembly
Josh Lowenthal

requirements described above before it is made available for hire. [CalRHA supported AB 1183, but it has become a two-year bill, eligible to move in 2026.](#)

Assembly Bill 1248 (Haney/D, San Francisco) Rental Fees. AB 1248 is sponsored by the Attorney General and targets fees associated with rental properties. This bill would require, for new residential tenancies beginning on or after January 1, 2026, that a tenant only be obligated to pay rent and prescribed fees or charges, including, among other things, a security deposit and rent stabilization fees charged to a landlord and passed on to the tenant. For tenancies that began before January 1, 2026, the tenant would only be obligated to pay rent, the fees and charges described above, any fees or charges that were charged at the start of the tenancy, and fees or charges for specified utilities, including the use of a ratio utility billing system (RUBS). The bill would also require that any payment received from, or on behalf of, a tenant be applied to rent, rental debt, and any outstanding fees in a specified order, and would prohibit late fees from being charged to a tenant whose only delinquency is attributable to nonpayment or late payment of a late fee. The bill would provide that a landlord or landlord's agent who violates these provisions is liable to a tenant in a civil action for damages, including treble damages. [CalRHA is opposing AB 1248, which is pending a vote on the Assembly Floor.](#)



CA Assembly
Matt Haney

Senate Bill 436 (Wahab/D, Fremont) Right to Redeem Tenancy. SB 436 was amended on May 1, 2025 from a right to redeem tenancy bill to instead amend the 3-day pay or quit statute to a 14-day pay or quit. [CalRHA opposes SB 436, which is pending on the Senate Floor.](#)



CA Senate
Alisha Wahab

Senate Bill 522 (Wahab/D, Fremont) Housing: Tenant Protections. This bill excludes, from the exemption to California's just-cause eviction protections for housing issued a certificate of occupancy within the last 15 years, housing that is built to replace a housing unit substantially damaged or destroyed by a disaster, as specified. Unfortunately, SB 522 will have the unintended consequence of

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discouraging the reconstruction of housing destroyed by disasters. [CalRHA opposes SB 522, which is pending a vote on the Senate Floor.](#)

Senate Bill 681 (Wahab/D, Fremont) Housing. SB 681 is a gut and amend that came into print on April 10th. The bill incorporates language from SB 381 (above) and adds provisions on Seismic Retrofitting for Multifamily, planning and zoning law changes, changes to the Housing Accountability Act, and the Permit Streamlining Act. SB 681 is set for a hearing in Senate Appropriations on May 19th.

The Legislative calendar for the year is as follows:

- 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



Assemblymember Ash Kalra
image The Mercury News

Assemblymember Kalra Announces Update on AB 1157 Affordable Rent Act

SACRAMENTO April 29, 2025

Today, Assemblymember Kalra and co-sponsors withdrew Assembly Bill (AB) 1157, the Affordable Rent Act, from consideration. AB 1157 would strengthen tenant protections statewide by updating the Tenant Protection Act of 2019 (AB 1482) in three key ways: lowering the rent increase cap, extending tenant protections to all single-family homes, and making these safeguards permanent.

"I am grateful my colleagues on the Assembly Housing Committee acknowledged the pressing need to take action to support tenants statewide and stabilize the rental market. However, the robust debate coupled with subsequent discussions with Judiciary Committee members signaled more time is needed to work on the bill," said Assemblymember Kalra.

"I am thankful to our coauthors who stand with me against the corporate landlord lobby and I am appreciative of the hard work of our passionate sponsors and diverse support coalition. As we enter an economic downturn and vulnerable Californians enter more dire financial situations, we must guide our policies with empathy for one another, especially as it pertains to keeping families in their homes. In the 4th largest economy in the world, systemic inequality continues to weigh down millions of Californians. Yet, we must keep up the fight—housing is a human right!"

AB 1157 will become a two-year bill. The Affordable Rent Act aims to balance landlords' and tenants' interests by allowing modest annual rent increases while easing the financial burden on renters facing high costs in California. The bill excludes newly constructed properties in their first 15 years of occupancy to address concerns around impacts to housing development. By stabilizing the rental market, AB 1157 seeks to help families remain in their homes and enhance local economies by reducing commute times, increasing disposable income, and supporting local businesses.

The Affordable Rent Act is co-authored by Assemblymembers Mia Bonta (D-Oakland), Isaac Bryan (D-Los Angeles), Sade Elhawary (D-South Los Angeles), Robert Garcia (D-Rancho Cucamonga), Corey Jackson (D-Moreno Valley), Alex Lee (D-San José), Tina McKinnor (D-Inglewood), and Liz Ortega (D-San Leandro) and Senator Smallwood-Cuevas (D-Los Angeles). The bill is co-sponsored by the Alliance of Californians for Community Empowerment (ACCE), Housing Now! CA, PICO California, Public Advocates, and UNITE HERE Local 11.