

CalRHA Legislative Updates

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Legislative Update – House of Origin Deadline

The deadline for bills to pass their *house of origin* (legislative house in which they were introduced), was Friday, June 6th. Fortunately, the industry made a successful push to oppose AB 1248 (Haney) on the Assembly Floor and the bill was sent to the inactive file, which means that it is dead for the year. It is now a 2-year bill, eligible to move in 2026.

AB 1248 would have limited the fees that a rental property owner could charge in addition to rent and have required those fees to be included in the rent and not charged as a separate fee. Although the author and sponsors amended the bill on June 2nd, the amendments did not address all industry concerns. For example, there was seemingly no provision for pass-through of government allowable costs such as RSO fees, capital improvement costs (e.g., seismic retrofitting), or taxes associated with public bonds. Furthermore, due to the “up-front” disclosure requirement, there is no provision for charging for services added in the future. Fortunately, holding AB 1248 on the Floor was a win for the industry the bill will be dealt with next year.



CA Assembly
Matt Haney

Here are other Floor outcomes of key legislation still moving this year:

Assembly Bill 246 (Bryan/D, Culver City) Social Security Tenant Protection Act. Prohibits a court from issuing a summons on a complaint for unlawful detainer (UD) that is based, in whole or in part, on nonpayment of rent or other charges, if the defendant experiences a loss of income during the pendency of a declared Social Security payment interruption. AB 246 passed to the Senate on a vote of 49-13.



CA Assembly
Isaac Bryan

Assembly Bill 306 (Schultz/Rivas) Building Codes. This bill would impose a six-year moratorium on the proposal or adoption of new state building standards and modifications to building standards affecting residential units (new and existing) from June 1, 2025 until June 1, 2031, with limited exceptions. CalRHA has taken a support position on AB 306, which passed to the Senate 71-0.



CA Assembly
Luz Rivas

Assembly Bill 863 (Kalra) Residential Rental Properties: Language Requirements. Requires a landlord seeking to terminate a lease to provide the tenant with a notice in Spanish, Chinese, Tagalog, Vietnamese, or Korean, as well as in English, if the lease was originally negotiated in one of those languages, or if the landlord has been notified by the tenant that one of those languages is the tenant's primary language. CalRHA has taken an oppose position on AB 863, which passed the Assembly 50-17.



CA Assembly
Ash Kalra

Assembly Bill 1240 (Lee) Corporate Ownership. AB 1240 prohibits business entities that own more than 1,000 single-family residential properties from purchasing any additional single-family properties and leasing them out. CalRHA has taken an oppose position on AB 1240, which passed the Assembly 42-18.



CA Assembly
Alex Lee

Continued on page 11

Senate Bill 52 (Perez) Rental Rate Algorithms.

SB 52 restricts the use of rental pricing algorithms. Specifically, it bans offering such algorithms to competitors in the same or related market, prohibits knowingly using these algorithms, and forbids incorporating nonpublic competitor data into any rental pricing algorithm. CalRHA has taken an oppose position on SB 52, which passed the Senate 28-9.



CA Senate
Renee Perez

Senate Bill 384 (Wahab) Preventing Algorithmic Price Fixing Act: prohibition on price-fixing algorithm use.

This legislation would ban the creation and employment of pricing algorithms that use the confidential, competitive data of rival companies. CalRHA has taken an oppose position on SB 384, which passed the Senate 28-10.



CA Senate
Alisha Wahab

Senate Bill 436 (Wahab) 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 passed the Senate 26-10.

Senate Bill 522 (Wahab) 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 discouraging the reconstruction of housing destroyed by disasters. CalRHA opposes SB 522, which passed the Senate Floor 27-10.

Senate Bill 681 (Wahab) Housing. SB 681 is the Senate's housing reform proposal, but does incorporate provisions that limit fees that rental property owners may charge tenants. For that reason, CalRHA has taken an oppose position on SB 681, which passed the Senate 28-10.

Select Committee on Housing Finance and Affordability

Speaker Robert Rivas announced the Select Committee assignments.



CA State Assy Speaker
Robert Rivas

Of note, the following members were appointed to the Select Committee on Finance and Affordability:

- Assemblymember Anamarie Ávila Farias, Co-Chair
- Assemblymember John Harabedian, Co-Chair
- Assemblymember Patrick Ahrens
- Assemblymember Heather Hadwick
- Assemblymember Alex Lee
- Assemblymember Joe Patterson
- Assemblymember Sharon Quirk-Silva
- Assemblymember LaShae Sharp-Collins
- Assemblymember José Solache
- Assemblymember Greg Wallis
- Assemblymember Lori Wilson

Remaining Legislative Calendar for 2025

- 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

APPROPRIATIONS SUSPENSE OUTCOMES

AB 239 (Harabedian) State-led LA Disaster housing task force. PASS with amendments to delete HCD database

AB 246 (Bryan) Social Security Eviction Bill. PASS

AB 380 (Gonzalez) Price Gouging. PASS with amendments to limit timeframe, among other things

AB 1240 (Lee) Corporate Ownership. PASS on a B-roll call

SB 52 (Perez) Algorithmic Rent. PASS

SB 384 (Wahab) Algorithmic Rent. PASS

SB 448 (Umberg) Trespass sponsored bill. HELD - Author Surprised

SB 681 (Wahab) Housing. PASS with amendments to prohibit certain projects in coastal zones and changes to junk fee provisions

SB 789 (Menjivar) Vacancy Tax. HELD



New CPI Released for Determining 2025 Rent Cap Under AB 1482

The U.S. Bureau of Labor Statistics has just released the Consumer Price Index (CPI) data for April 2025, which is used to calculate the maximum allowable rent increase effective August 1, 2025, under California's rent cap law, AB 1482 (Tenant Protection Act of 2019).

This CPI data determines the annual rent increase cap for properties subject to AB 1482

calculated as 5% plus the percentage change in CPI, not to exceed a total increase of 10%.

The CPI table reflects the data used to calculate maximum allowable rent increases under AB 1482. However, please refer to your local ordinance or CalRHA affiliate because rent increases in certain cities may be subject to further restrictions.

Assembly Bill 1482 - State Rent Control Change in Consumer Price Index – All Urban Consumers

Under California's Tenant Protection Act of 2019 (AB 1482), rent increases are capped at 5% plus the local Consumer Price Index (CPI) change, or a maximum of 10%, whichever is lower. For rent increases taking effect on or after August 1st of each year, the relevant CPI is the one from April of that year. The specific CPI value varies by region as shown below. If your property is not located in one of the specified regions, use the California CPI.^{a,d,e}

As it is not listed separately, Santa Barbara should use the numbers shown for California CPI.

CPI Index (All Urban Consumers)	Annual % Increase (April 2024 to April 2025)	Rent Increase Cap (5% + CPI)	Max Allowable Increase (Subject to 10% Cap)
Los Angeles Long Beach Anaheim	3.0%	8.0%	8.0%
San Francisco Oakland Hayward	1.3%	6.3%	6.3%
San Diego Carlsbad ^b	3.8%	8.8%	8.8%
Riverside San Bernardino Ontario ^c	2.5%	7.5%	7.5%
California	2.7%	7.7%	7.7%

a) Source - U.S. Department of Labor, Bureau of Labor Statistics unless noted otherwise.

b) Beginning with the November 2017 data, indexes for San Diego-Carlsbad are published bi-monthly on odd numbered months only (January, March, etc.) and, therefore, the month of March is used.

c) Indexes for Riverside-San Bernardino-Ontario are published bi-monthly on odd-numbered months only (January, March, etc.), and therefore, the month of March is used.

d) Source: California Department of Industrial Relations (DIR). Source: <https://www.dir.ca.gov/oprl/CPI/PresentCCPIchange.PDF>

(e) Tenant Relief Act (2021) Amendment - For rent increases effective on or after August 1st of each year, use the current Consumer Price Index for the region in which the property is located. All CPI percentages are rounded to nearest 1/10th of a percent.