

CalRHA Legislative Updates



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Legislative Update

CalRHA Executive Leadership had a series of legislative meetings in the Capitol on January 7th where we met with the newly sworn in Pro Tem of the Senate, Monique Limon (D-Santa Barbara), the two Housing Chairs, Chair of the Moderate Democrats, members of the Assembly Judiciary Committee and other relevant legislators. We discussed the CalRHA Public Policy Priorities for the year, as well as advocated against AB 1157. A list of Leadership and Committee Membership Appointments will be posted on the SBRPA website.



Senate Pro Tem
Monique Limon

- \$1.75 billion to supportive housing administered through the MHP program. Requires HCD to offer capitalized operating subsidy reserves for supportive housing developments receiving funding;
- \$800 million for the Portfolio Reinvestment Program, which provides funding to rehabilitate, fund short-term capitalized operating subsidy reserve, and extend the long-term affordability of HCD-funded rental multifamily housing projects that are at-risk of conversion to market-rate housing;
- \$500 million for a program to be created by the Legislature that funds acquisition and rehabilitation of unrestricted housing units (i.e., unsubsidized housing that may naturally be affordable) and the attachment of long-term affordability restrictions to the units;
- \$1 billion to the CalHOME Program and the My Home down payment assistance program administered by the California Housing Finance Agency (CalHFA); and
- \$200 million for wildfire prevention, rental assistance, and affordable housing construction.

CalRHA started off 2026 with **a major win in the Assembly Judiciary Committee on January 13th where we were able to hold AB 1157**, the rent control bill proposed by the Chair of Assembly Judiciary, Ash Kalra. AB 1157 would have limited annual rent increases to 2% plus the change in the Consumer Price Index (CPI) or 5%, whichever is less, instead of the current 5% plus CPI or 10%. This was a strong win for the rental housing industry.



CA Assembly
Ash Kalra

CalRHA will continue advocating for rent assistance in the state.

We are in the second year of the two-year legislative session, which means that any bill introduced last year that is still in its house of origin needs to pass to the second house by the end of the month. An example of that is SB 417 (Cabaldon, D - West Sacramento), which would authorize \$10 billion in general obligation bonds to fund the following programs:



CA Senate
Christopher Cabaldon

After our bill introduction deadline of February 20th, we will have a better understanding of all of the legislation that we will be facing this year. Below, please find the deadlines for the year.

2026 Legislative Deadlines

- February 20th - Bill Introduction Deadline
- March 26th-Spring Recess
- May 8th-Policy Committee Deadline
- May 15th-Fiscal Committee Deadline
- May 29th-Floor Deadline
- June 15th-Budget Bill Passage

- \$5.25 billion to MHP. At least 10% of units in a MHP development must be available for extremely low-income households;

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2026 Legislative Deadlines (continued)

- June 25th–Last Day for a Legislative Measure to Qualify for the November 3rd General Election Ballot
- August 14th–Fiscal Committee Deadline in Second House
- August 31st–Floor Committee Deadline in Second House/End of Session
- September 30th–Last Day for Governor to Sign or Veto Legislation

State of the State/Budget Update

Governor Newsom gave his first (and final) State of the State in 5 years and released his budget proposal during the first week of January. A link to the full summary of Housing and Homelessness may be found at <https://ebudget.ca.gov/2026-27/pdf/BudgetSummary/HousingandHomelessness.pdf>



CA Governor Gavin Newsom

CalRHA Public Policy Priorities

Ensuring rental housing providers can offer quality affordable homes to Californians.

A. CalRHA Policy Lead Efforts

1. AB 1482 Protection

Sponsor/support legislation that, at a minimum, extends existing rental housing protections, such as exemptions for single-family homes, condominiums, and new construction. These protections sunset on January 1, 2030.

2. Trespassing Response & Remedies Act

Sponsor legislation that protects housing providers and renters by providing a balanced and expedited process authorizing law enforcement officials to remove trespassers (commonly referred to as squatters). Key considerations include:

- Reasonable remedies for housing providers to remove trespassers without having to go to court or lengthy administrative proceedings.
- Clear differentiation between lawful renters and trespassers to safeguard protections for authorized renters.
- Immunity for local law enforcement.
- Ensure the availability of quality affordable housing for lawful renters.

3. Pre-emption on Gas Appliance Ban

Seek opportunities for and support federal and state legislation or regulations that curtail efforts by local governments and air quality districts to ban gas appliances.

4. On-site Manager

Sponsor/support legislation that revises the outdated requirement for on-site property managers.

5. Defend Against Harmful Housing Legislation

Proactively oppose, engage, and propose workable solutions to harmful legislation (multi-pronged strategy) in order to protect rental housing owners' ability to provide quality affordable housing to Californians. For example:

- Rent control
- Unreasonable restrictions on unlawful detainers
- Pet mandates

6. Government Mandates

Oppose unfunded mandates on rental housing infrastructure, including modifications for electrification and climate change.

Support legislation that provides financial incentives to housing providers for renovations and improvements.

7. Safe Common Areas

Sponsor legislation that allows rental housing providers to require renters to remove or otherwise dispose of items left in common areas that threaten the health and safety of other tenants.

8. Homelessness Prevention Subsidies

Support policies, legislation, and budget allocations for homelessness prevention. Key criteria includes prioritization for at-risk groups with required means testing, and payments made directly to property owners.

VICTORY ON AB 1157

The California Rental Housing Association (CalRHA) and our affiliated organizations are pleased to inform you that we have successfully held AB 1157 in committee!

The bill needed 7 AYE votes to advance, but received only 4 votes in this morning's hearing in the Assembly Judiciary Committee. AB 1157 would have limited annual rent increases to 2% plus the change in the Consumer Price Index (CPI) or 5%, whichever is less; and eliminated various Costa-Hawkins protections.

A huge thank you to all of you and our lobbying team for this victory. Together, we protected our rights, investments, and housing affordability.