

CalRHA Legislative Updates



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Political Update/Governor's Race

The competition to replace the term-limited Gavin Newsom is escalating, making the current gubernatorial contest in California the most unpredictable in decades. As of February 2026, with almost a third of voters still uncommitted and no obvious leader, a large group of contenders—including seasoned politicians, law enforcement officials, and wealthy non-traditional candidates—is fiercely competing for key organizational endorsements. The most recent poll released February 18th actually has Republican Steve Hilton in the lead, given the democratic vote is split between so many candidates, and Eric Swalwell as the leading Democrat. You may access the poll here and below is a summary of the leading candidates.

Democrat Xavier Becerra. The former U.S. Health Secretary and state Attorney General emphasizes protecting California's health care systems and civil rights from federal interference. He is endorsed by several state legislators Senator Eloise Reyes, Senator Bob Archuleta, Senator Melissa Hurtado, Senator Sabrina Cervantes, the California State Council of Laborer and the California Faculty Association.



Xavier Becerra

Democrat Matt Mahan. The San Jose Mayor and former tech entrepreneur focuses on government accountability, reducing homelessness through interim shelter, and addressing retail theft. As the most recent entrant into the race, his team is still building out their endorsements — expect a series of announcements over the next few weeks. He is supported by tech and endorsed by Rep. Sam Liccardo (D-16) and Mahan's predecessor in San Jose and Rick Caruso, Los Angeles businessman and former mayoral candidate.



Matt Mahan

Democrat Katie Porter. The former U.S. Congresswoman and consumer advocate centers her campaign on fighting corporate influence, expanding housing access and implementing universal health care. lines for the year. Endorsed by *EMILYs List*, the nation's largest Elect Democratic Women, IBEW, the International Brotherhood of Teamsters (California), and Congressmen Dave Min (CA-47) and Derek Tran (CA-45).



Katie Porter

Democrat Tom Steyer. The billionaire activist and businessman is running on a platform of affordability, pledging to build 1 million homes and lower utility costs. He is supported by Michael Brune, former Sierra Club director and former White House advisors John Podesta, Former Senior Advisor to the President for International Climate Policy, and Rep. Ro Khanna, as well as the state Legislators Isaac Bryan, Alex Lee, and Ash Kalra. He is also endorsed by the California Nurses Association and the California School Employees Association.



Tom Steyer

Democrat Eric Swalwell. The U.S. Congressman and former prosecutor highlights his experience in federal oversight and is endorsed by US Senator Adam Schiff (D-CA), Rep. Nanette Barragán (D-44), Chair of the Congressional Hispanic Caucus, Rep. Jimmy Gomez (D-34): Founder of the Congressional Renters Caucus, Rep. Doris Matsui (D-07), Rep. Adam Gray (D-13): Representing the Central Valley, the California Professional



Eric Swalwell

Continued on page 13

Firefighters (CPF), former gubernatorial candidate, Stephen Cloobek, businessman, the California Medical Association, and Assemblymember Patrick Ahrens and Nick Schultz.

Democrat Antonio Villaraigosa.

The former Los Angeles Mayor and Assembly Speaker presents himself as a seasoned negotiator who can manage the state's budget while prioritizing infrastructure and cost-of-living relief. He is backed by Karen Bass, Los Angeles Mayor, his campaign co-chair and helps solidify his base in the state's largest city. He is endorsed by Barbara Boxer, former U.S. Senator, who serves as his campaign co-chair, Assemblymembers Esmeralda Soria and Tina McKinnor, Senators Bob Archuleta, Maria Elena Durazo, and former Speakers John Perez and Fabian Nunez. PORAC, the Building and Construction Trades Council, IBEW, local Operating Engineers and Teamster.



Antonio Villaraigosa

Democrat Betty Yee.

The former State Controller and tax board member emphasizes fiscal discipline, long-term climate resilience and making the state's financial systems more transparent. She is supported by Progressive Democrats of America (PDA), the AAPI Victory Fund, Mexican American Bar Association PAC (MABA PAC), and National Women's Political Caucus of California, as well as Assemblymember Gail Pellerin and local elected officials.



Betty Yee

Republican Chad Bianco.

The Riverside County Sheriff runs on a traditional public safety platform focused on strict crime enforcement, addressing homelessness and border security. He is endorsed by Congressmen Darrell Issa and Ken Calvert, as well as the Assembly Republican Leader, Heath Flora and supported by law enforcement.



Chad Bianco

Republican Steve Hilton. The former Fox News Host and former policy advisor to the UK Prime Minister David Cameron advocates for a complete overhaul

of state government through deregulation, lower taxes and ending one-party control. He is supported by Vivek Ramaswamy, former Presidential candidate, running mate, Gloria Romero: Former Democratic State Senate Majority Leader. She is Hilton's official running mate for Lieutenant Governor, the late Charlie Kirk, and State Senator Tony Strickland.



Steve Hilton

Legislative Update

The deadline to introduce legislation in 2026 is Friday, February 20th and many more will come into print shortly thereafter. So far, several key bills of interest have been introduced, which are highlighted below. CalRHA is proactively working on legislation this year dealing with the 16-unit resident manager requirement, property left in common areas, trespass, habitability claim protections, and production streamlining.

AB 1611 (Haney) Taxation of Rental Properties and loss of 1031 Exchange Benefits for Owners of 50 or More Units.

This bill addresses how gains are taxed when exchanging properties. Under current law, gains or losses from exchanging similar properties for business or investment purposes are not recognized for tax purposes. However, the bill would change this by preventing the non-recognition of gains for taxpayers who exchange single-family residential rental properties if they own 50 or more such properties in California. The changes would apply to exchanges completed from January 1, 2026, aligning with taxable years starting on that date.



Matt Haney

AB 1768 (Bryan) Existing law allows local governments to levy a transactions and use tax for various purposes,

following specific procedures and limits, including a total tax rate cap of 2% per county. This bill would permit Los Angeles County to impose an additional tax of up to 0.5% under the Transactions and Use Tax Law until December 31, 2031, for



Isaac Bryan

general and special purposes, contingent on voter approval. This additional tax could surpass the typical 2% county cap.

AB 1771 (Alvarez) Current law mandates that a manager or responsible person must live on-site in any apartment building with 16 or more units. The bill seeks to remove this requirement, preventing state or local entities from mandating on-site residency for managers or caretakers. It also directs the department to update its regulations accordingly. The bill states that these changes are of statewide importance, meaning they apply to all cities, including those with their own charters. - **SUPPORT.**



David Alvarez

AB 1842 (Harabedian) This bill would allow borrowers to request forbearance if their property becomes uninhabitable due to an emergency, with the condition that borrowers must affirm the property's uninhabitable status. This bill requires mortgage servicers to provide an initial forbearance period of up to 180 days, extendable in 90-day increments up to 12 months total.



John Harabedian

AB 1963 (McKinnor) Unhabitability – Spot Bill

AB 2025 (Pellerin) Digitally Altered Images for Rental Property. The Real Estate Law regulates the licensing and activities of real estate brokers and salespersons. It mandates that if any digitally altered image is used in advertisements or promotional materials for selling real estate, a disclosure must be made, and an unaltered version of the image must be included if the content is online. A willful violation of this law is considered a crime. The bill extends these requirements to rented properties, meaning that similar disclosures and original images must be provided for rental property ads.



Tina McKinnor

SB 880 (Wahab) Housing Purchase Moratorium – Spot Bill

SB 885 (Strickland) Major and Emergency Regulations. The bill stipulates that a state agency cannot finalize a major regulation until it prepares the impact analysis, submits a proposal to the Legislature, and the Legislature enacts a law allowing the regulation. However, agencies can adopt emergency regulations if they follow specific requirements, with emergency regulations not exceeding 180 days, though they may be readopted twice for 90 days under certain conditions.



Tony Strickland

SB 1117 (Cervantes) Currently, impact fees cannot be charged on ADUs with 750 square feet or less of livable space. For ADUs larger than 750 square feet, fees must be proportional to the main dwelling's size. The bill proposes that fees for ADUs only apply to the area beyond 750 square feet. This bill would change how local agencies calculate these fees, creating a state-mandated local program, and asserts that these changes are of statewide concern, affecting all cities, including charter cities.



Sabrina Cervantes

After our bill introduction deadline of February 20th, we will have a fuller picture 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
- June 25th–Last Day for a Legislative Measure to Qualify for the November 3rd General Election Ballot
- July 2nd–Policy Committee Deadline in Second House and Start of Summer Recess
- August 3rd–Legislature Reconvenes from Summer Recess
- 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

CalRHA 2/24/2026 Update: 2026 HOUSING LEGISLATION

Housing Production & Land Use: Building Standards & Zoning

- **AB 2057 (DeMaio) Building Standards: Natural Gas.** Prohibits local bans on natural gas in residences.
- **AB 1771 (Alvarez) State Housing Law: Apartment Houses.** Removes on-site manager requirement (16+ units).
- **AB 2656 (Petrie-Norris) Planning and Zoning Law.** Technical update concerning planning, transportation planning, zoning regulations, and housing development.
- **AB 2603 (Lowenthal) Dwellings: Untenantability.** Technical update concerning stairs.
- **AB 1963 (McKinnor) Dwellings: Untenantability.** Technical update concerning waterproofing and weather protection.

Tenant & Borrower Protections

- **AB 1842 (Harabedian) California Emergency Mortgage Relief Act.** Expands disaster mortgage forbearance (180-day initial period).
- **SB 1155 (Smallwood-Cuevas) Nonpayment of Rent: Federal Employees.** Eviction protections during federal shutdowns.
- **SB 1160 (Durazo) Judicial Council: Eviction Data Reporting.** Requires statewide eviction data reporting.

Rental Transparency & Process

- **AB 2025 (Pellerin) Tenancy: Digitally Altered Images.** Requires disclosure of altered rental listing images.
- **SB 1296 (Durazo) Real Property: Rentals: Pet Policy.** Requires clear pet policy disclosure in ads/applications.
- **SB 1335 (Strickland) Tenancy: Disposition of Personal Property.** Technical update to methods for handling personal property left behind after a tenant has ended their lease.
- **SB 1243 (Durazo) Unlawful Detainer: Tenancy.** Technical update of lease termination rules, involving an act of abuse or violence against the tenant or family member.

Tax & Revenue Measures

- **AB 1611 (Haney) Taxation: Capital Gains & SFR Rentals.** Ends capital gains deferral for owners with 50+ single-family rentals.
- **AB 2394 (Lee) Personal Income Tax: Real Property Exclusion.** Temporary capital gains exclusion for seniors (65+, 20+ year ownership).
- **SB 1053 (Niello) Property Tax: Disaster Relief Transfers.** Extends base-year value transfer window (+3 years).
- **AB 1768 (Bryan) Transactions & Use Tax: Los Angeles County.** Authorizes additional 0.5% sales tax (voter approval).

Tenant & Borrower Protection

- **AB 1924 (Gabriel) Homelessness Prevention Strategy.** Signals creation of statewide prevention framework.
- **SB 1091 (Caballero) Community Anti-Displacement & Preservation Program.** Creates acquisition/rehab financing program.
- **SB 880 (Wahab) Housing Purchases: Moratorium (Intent Bill).** Signals potential temporary housing purchase restrictions.
- **SB 885 (Strickland) Major Regulations.** Requires legislative approval for major regulations (\$50M+ impact).