

# CalRHA Legislative Updates



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March 2026

## Legislative Update

The Legislature is in the process of hearing bills in policy committees now through May 8th, taking a spring recess the week before Easter. Below, we have identified several bills that CalRHA is engaged in lobbying to date.

### **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. **OPPOSE**



Matt Haney

### **AB 1771 (Alvarez) Delete Onsite Resident Manager Requirement.**

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. **SPONSOR/SUPPORT.**



David Alvarez

### **AB 1768 (Bryan) Increase LA County Taxes.**

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



Isaac Bryan

### **AB 1842 (Harabedian) Mortgage Forbearance.**

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) Portable Rental Application Screenings.**

This bill would change the permissive use of portable application screenings to mandatory. It would require property owners to accept "portable screening reports," prepared within 45 days by an approved tenant screening company and costing no more than \$45 for the applicant. The bill would ban additional charges such as application or background check fees if a portable report is provided. Landlords must inform prospective tenants of these rules



Tina McKinnor

in advertisements and before accepting application materials. If rejecting an application after reviewing a portable report, landlords must provide written reasons.

**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 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.



*Gail Pellerin*

**AB 2057 (DeMaio) Prevent Local Government from Banning Gas Appliances.**

Under existing California law, the Building Standards Commission sets building codes, and local governments can modify these standards for specific local conditions, provided they document the rationale. A rule from June 2025 to June 2031 restricts local changes to residential building standards unless specific conditions are met. This bill would specifically prohibit local governments from altering building standards to ban natural gas in residential units and requires the commission to reject gas prohibition modifications.



*Carl DeMaio*

**AB 2603 (Lowenthal) Relief from Habitability Claims.** Would provide relief for property owners from habitability claims **Sponsor/Support**



*Josh Lowenthal*

**AB 2616 (McKinnor) Indoor Air Temperature.** The bill mandates that dwelling units be capable of maintaining indoor temperatures below 82 degrees Fahrenheit using nonmechanical cooling methods. Landlords and tenants can choose to implement this through a combination of mechanical and nonmechanical methods by January 1, 2030. The bill also specifies that landlords cannot transfer the cost of providing this cooling capability to tenants. Additionally, it requires landlords to dispose of unused refrigerants properly if air conditioning units are replaced. Tenants are allowed to install or use portable cooling devices at their own expense, with five days' notice to landlords. This applies only to leases entered, amended, or extended on or after January 1, 2028.

**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) Lowering ADU Costs.**

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. **SUPPORT**



*Sabrina Cervantes*

**SB 1155 (Smallwood-Cuevas) - Eviction Protections During Federal Government Shut-downs.** The bill would protect federal employees or contractors from eviction due to nonpayment of rent during a government shutdown, extending protections 30 days post-shutdown. It prohibits landlords from charging late fees and requires courts to pause eviction actions during the specified time. Tenants must provide documentation to landlords or courts, and deferred rent must be paid within 30 days after receiving their first paycheck with backpay. **OPPOSE**



Lola Smallwood-Cuevas

**SB 1335 (Strickland) Property in Common Areas.** Would provide a mechanism for property owners to deal with property left in common areas by tenants. **SPONSOR/SUPPORT**

2026 Legislative Deadlines

- 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

**SB 1160 (Durazo) Eviction Data Reporting.** The bill proposes that the Judicial Council collect and publicly share eviction data, reporting it to the Legislature. Additionally, courts must supply monthly information on unlawful detainer cases, aggregated by ZIP Code, to be made available via a public records request.



Maria Elena Durazo

As we prepare for our upcoming Legislative Advocacy Days in Sacramento, CalRHA and our affiliates invite you to join a webinar designed to help you strengthen your advocacy skills and feel confident engaging with legislators. This two-part series consists of: Tips and guidance for meeting with legislators (4/2/2026, co-hosted by CalRHA & NAA Advocacy Academy); and Key advocacy talking points and issue briefings (4/10/2026, hosted by CalRHA Lobbyists) .

## CALRHA & REGIONAL AFFILIATES













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