**Contacts:**
CHLA: Pete Hillan, 831-227-5984, pete@singersf.com
CBPA: Skyler Wonnacott, 916-960-3951, swonnacott@cbpa.com

**For Immediate Release**
May 15, 2026

**EVERYDAY CALIFORNIANS' REAL ESTATE INVESTMENT ACCESS PROTECTED**
*Hospitality and business groups defeat onerous attempt to undermine common funding*

**SACRAMENTO, CA – (May 15, 2026) –** Yesterday, a broad coalition of 31 organizations representing California's hospitality and commercial real estate industries successfully stopped AB 1869, an unprecedented measure that would have imposed sweeping changes on federally governed REIT investment structures and created significant uncertainty for California's economy, retirees, and investment markets.

"It's moments like these that clearly show we are united in our work to advance – and defend – the many businesses that are California's best ambassadors to the nation and the world," said Lynn S. Mohrfeld, CHLA President + CEO. "We're incredibly thankful for our partners and leaders who recognize the benefits of uplifting California's lodging industry and joined us to educate policymakers on this complex issue."

On Thursday, the Assembly Appropriations Committee held AB 1869, stopping the bill from advancing in the Legislature this year and marking a major victory for the coalition of business, lodging, and commercial real estate organizations that opposed the measure throughout the legislative process.

"AB 1869 would have had devastating ripple effects across California's commercial real estate industry and any underlying effect on REIT investment markets," said Matthew Hargrove, President/CEO, CBPA "We appreciate the California Hotel & Lodging Association's leadership in defeating this measure, and we applaud the Assembly Appropriations Committee for holding the bill and protecting everyday Californians whose pensions and retirement accounts rely on stable real estate investment markets."

REITs are governed by federal tax law and provide a way in which everyday investors can participate in real estate investment through their 401ks or pension funds. REITs historically have provided stable, long-term capital for hotel development and renovations. Fifty-six percent of California households that invest participate in a REIT through retirement funds, pension funds, index funds and ETF accounts.

AB 1869 would have ended alignment with federal laws to impose unprecedented restrictions which, ultimately, would have removed from the majority of California families a tried-and-true investment that has supported their retirements, educations, and communities for decades.

## About the California Hotel & Lodging Association

*The California Hotel and Lodging Association is the leading resource and advocate for California's more than 6,000 hotels, motels and boutique inns that employ more than 235,000 workers. CHLA, established in 1893, is the largest state lodging industry association in the nation and is a partner with the American Hotel & Lodging Association. For more information, go to [www.calodging.com](http://www.calodging.com).*

## About the California Business Properties Association

*CBPA is the largest commercial real estate consortium with over 10,000 industry members and is the designated legislative advocate for ICSC, the California Chapters of the Commercial Real Estate Development Association (NAIOP Cal), the Building Owners and Managers Association of California (BOMA Cal), the Retail Industry Leaders Association (RILA), and the Association of Commercial Real Estate – Northern and Southern California (ACRE), and AIR CRE. www.CBPA.com*