May 26, 2026



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Rental Housing Political & Regulatory Update

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"We are always here for you, standing by your side, monitoring and aggressively fighting back against the tyranny of ill-conceived state and local regulations."

- Daniel Yukelson, Executive Director



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Fighting for YOUR Private Property Rights

Where Do Rent Regulations Exist Today?

States With Rent Control (8+1) **[~220 Local Jurisdictions in U.S.]**	**California***, District of Columbia, New York, Maine (Portland and South Portland), Minnesota (St. Paul), New Jersey, **Oregon,*** Maryland, and **Washington*** ***- Rent Control at State level.***
States That Prohibit Rent Control (32)	Alabama, **Arizona**, Arkansas, **Colorado**, Connecticut, **Florida**, **Georgia**, Idaho, **Illinois**, Indiana, Iowa, Kansas, Kentucky, Louisiana, **Massachusetts**, **Michigan**, Mississippi, Missouri, New Hampshire, **New Mexico**, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, **Utah**, Vermont, Virginia, Wisconsin and Wyoming *[RED = Rent Control Threats]*
States With No Rent Control / No Pre-emption (10)	Alaska, Delaware, Hawaii, Montana, Nebraska, **Nevada**, Ohio, Pennsylvania, Rhode Island, West Virginia *[RED = Rent Control Threats]*
California Cities With Rent Stabilization**…and GROWING!***	Alameda, Baldwin Park, Bell Gardens (New), Berkeley, **$Beverly Hill$**, Campbell, Concord (New), Cudahy (New), Culver City, East Palo Alto, Fremont, Hayward, Huntington Park, Inglewood, Los Angeles (City and Unincorporated County), Los Gatos, Malibu (Mobile Homes), Maywood (New), Mountain View, Oakland, Ojai (New), Oxnard, Pacifica, Palm Springs, Pasadena (Measure H), Pomona, Richmond, Sacramento, Salinas, San Anselmo, San Francisco, San Jose, Santa Ana, Santa Monica, Stockton, Thousand Oaks (Mobile Homes), Vallejo, West Hollywood • Relocation for Excess Increase: Glendale (7%), Long Beach (10%), ~~L.A. City Non-RSO (10%)~~ • "Reno-viction" (Substantial Remodel) Prohibitions: Multiple Jurisdictions • Rent Stabilization Being Discussions: Avalon, Alhambra, Burbank, Santa Barbara

- In Gardena, rent increase >5% subject to mediation.

The Current Rent Control Outlook

Current Rent Control Outlook
(Partial List)

- In January 2026, **Senate Bill 1157** failed in committee – would have *reduced state max. rent caps by 50% (10% to 5%) and reduced increase formula from 5%+CPI to 2%+CPI*.
- In September 2025, the **Massachusetts state Attorney General** determined that a ***statewide rent control ballot measure could legally appear on the November 2026 ballot***. The measure would limit annual rent increases to lesser of change in the Consumer Price Index (CPI) or 5%.
- **Passaic, New Jersey** amended its rent stabilization ordinance in September, ***capping annual rent increases at 3%*** - ***down from 6%*** - and ***eliminating vacancy decontrol*** for buildings constructed before 1996. The updated ordinance is in effect.
- **Salinas, California's** city council ***repealed its rent stabilization ordinance in April***, but a voter ***referendum halted the repeal***. The council will now put the measure before the voters on the November 2026 ballot.
- **Half Moon Bay, California's** city council ***repealed its rent stabilization ordinance in May.***
- **Santa Barbara, California's** city council ***rejected a rent stabilization*** ordinance that called for allowable rent increases of 60% of the CPI but pending finalization of ordinance – ***Rent Freeze currently in place pending finalization***.
- **Wilmington, Delaware** proposed ordinance capping rent increases at just 5% per year or the 12-month average of the CPI, whichever higher - ***failed last June***. A similar proposal in **Rockville, Maryland**. also did not advance.

Los Angeles County Habitability and Tenant Protections: What Goes Around Comes Around!

- ***Lower Rent Increases*** – Percentage of Consumer Price Index (CPI)
  - Los Angeles Couty at 60% of CPI (Other Jurisdictions at 70%, 75%, 90% or 100% of CPI)
  - +1% for Small Owners and +2% for Luxury Units
- ***Tenant Protection*** Regulations – "Just Cause" Rules
  - Economic Threshold Before Initiating Eviction (e.g., 3-Day Notice) (**Two Months** Past Due FMR)
  - Disclosure Requirements on Notices: List # Bedrooms or FMR, Plus Filing With Local Agency (DBCA)
  - Anti-Harassment – Tenant Protection Only
  - Right to Counsel – Free Legal Assistance for Tenants Facing Eviction for Any Reason
  - Relocation Fees – Increased relocation fees.
- New ***Habitability Requirement*** - Maximum permitted indoor air temperature mandate at 82-degrees Fahrenheit.
  - Requires installation of air conditioning units or other cooling methods for **ALL Habitable Rooms**.
  - Additional time given to small owners – one habitable room until 2032
- ***Continuing Declared Emergency*** - Emergencies Declaration Declared for ICE Enforcement Activity, Wildfires and Storms. Under emergency declaration in L.A. County since January 2025!
  - **Triggers Anti-Price Gauging:** 10% Maximum Price Increase for All Goods and Services

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Los Angeles County Updates

Elimination of Gas Appliances

- ***South Coast Air Quality Management District (SCAQMD) –*** Proposed Rules 1111 and 1121 would severely limit ability to replace gas appliances through the assessment of cost-prohibitive fees. **STOPPED!**

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2025s Major New State Housing Laws Passed (Effective in 2026)

2025's New State Housing Laws: Signed by Governor (Eff. 2026)

- ***Assembly Bill 246 (Bryan) | Social Security Payment Delay Protections.*** Eviction protections if delay in Social Security payments.
- ***Assembly Bill 628 (Mc Kinnor) | Required Appliances.*** Requires installation of stoves (ovens) and refrigerators in rental housing and requires to be properly maintained and in good working order. Tenant option to bring own refrigerator (only).
- ***Assembly Bill 747 (Kalra) | Service of Process Accountability, Reform and Equity (SPARE) Act.*** Establishes rigid requirements for service of process—including three separate personal service attempts at different times and days, mandatory attempts at residential addresses even when such information may not be available, and GPS-stamped photographic evidence for every attempted or affected service.
- ***Assembly Bill 863 (Kalra) | Residential Rental Properties: Language Notice Requirements.*** Requires landlords to provide tenants with summons translated into Spanish, Chinese, Tagalog, Vietnamese, or Korean, as well as in English, **but** requires the Judicial Council the translated summons and provide on website.
- ***Assembly Bill1414 (Ranson) / Opt-Out of Subscriptions.*** For any residential tenancy commenced, renewed, or continuing month-to-month or other periodic basis, on or after January 1, 2026, landlord to provide option to opt out of paying for any 3rd party subscription in connection with the lease. The bill authorizes the tenant to deduct the cost of the subscription if landlord in violation.
- ***Senate Bill 79 (Weiner) | Housing Developments***. Requires that a housing development project (5+ units) within a specified distance of a transit-oriented development (TOD) stop be permitted as a transit-oriented housing development on any residential, mixed use, or commercial site.

2025's New State Housing Laws: Signed by Governor (Eff. 2026)

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2025s Major New State Housing Laws Passed (Effective in 2026)

- ***Assembly Bill 226 (Calderon) | FAIR Plan Stabilization Act.*** This new law attempts to *increase the financial stability and claims-paying capacity* of California's insurer of last resort, the FAIR Plan.
- ***Assembly Bill 325 (Aguiar-Curry) | Anti-Trust in Pricing Algorithms.*** This new law clarifies that California's Cartwright Act applies to the collusive use of pricing algorithms, including those used to analyze or recommend rent levels, and makes it ***unlawful to use or distribute a "common pricing algorithm" that restrains trade*** or coerces competitors to align prices.
- ***Assembly Bill 414 (Pellerin) | Return of Security Deposits.*** This new law allows landlords and tenants to agree at any time — rather than only after a move-out notice—on ***how deposit refunds and itemized statements will be sent***, including through electronic means. It also clarifies procedures when multiple tenants share a lease. *[e.g., Zelle Payment In = Zelle Payment Out]*
- ***Assembly Bill 462 (Lowenthal) | Occupancy of Accessory Dwelling Unit Prior to Primary Dwelling Unit.*** This new law would require a local agency to ***issue a certificate of occupancy for an accessory dwelling unit constructed*** in a county that is subject to a ***proclamation of a state of emergency*** made by the Governor on or after February 1, 2025, ***even if the primary dwelling has not yet been issued a certificate of occupancy***, if certain requirements are met, including that the primary dwelling was substantially damaged or destroyed by an event referenced in the state of emergency proclamation.
- ***Senate Bill 655 (Stern) | Safe Maximum Indoor Air Temperature***. Establishes a state policy that all residential units must be able to achieve and maintain a safe maximum indoor temperature to protect against extreme heat and r***equires state agencies to incorporate a maximum indoor temperature standard into future policies, program***s, and building codes, particularly for new constructions, beginning January 1, 2027. The bill is intended to address the public health emergency of deadly heat waves, especially for vulnerable and low-income communities.

In Case You Missed Them…

2024's New State Housing Laws: Signed by Governor (Eff. 2025+)

New Laws for 2025 – Commercial Tenancies

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2024s Major New State Housing Laws Passed (Effective in 2026)

- ***Senate Bill 1103 (Menjivar) - Commercial Tenancies*** **-** Requires commercial landlords to provide "qualified commercial tenants" contract translation and notice for month-to-month rent increases or tenancy termination, and places transparency requirements on the fees a landlord may impose. Qualified Commercial Tenants are specific types of small businesses that self-certify their Qualified Commercial Tenant status, including:
  - Microenterprises. Small-scale businesses with five or fewer employees and limited access to funding.
  - Small Restaurants. Establishments with 10 or fewer employees.
  - Nonprofit Organizations. Businesses that are 501(c)(3) nonprofits with fewer than 20 employees.
- Property owners that lease to Qualified Commercial Tenants ***must comply with new notification rules*** for rent increases, termination notices, and operating expenses.
- Must provide 90-days written notice for rent increases in excess of 10% and ***30-days' notice for rent increases under 10%.***
- ***Notice of termination of month-to-month commercial tenants*** will now require that owners provide 60 days' notice if tenancy was more than 12 months. Tenant must only give 30-days notice.

In Case You Missed These…

2024's New State Housing Laws: Signed by Governor (Eff. 2025+)

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2024s Major New State Housing Laws Passed (Effective in 2026)

- ***Assembly Bill 2347 (Kalra) - Eviction Delay –*** Extends the time for tenants to respond to an unlawful detainer (eviction) from 5 court days to 10 court days.
- ***Assembly Bill 2493 (Pellerin) - Rental Application Fees -*** Allows a landlord to charge a ***lease application screening fee only if the landlord offers an application screening process that considers applications in the order*** in which they are received or provides any applicant who is not selected for tenancy with a refund or credit for the application screening fee.
- ***Assembly Bill 2579 (Quirk-Silva) - Balcony Inspection Bill –*** Extends by one year, until January 1, 2026, the deadline for performing inspections of exterior elevated elements (e.g., balcony inspections) in all buildings containing three or more multifamily dwelling units. **(AAGLA initiated bill)**
- ***Assembly Bill 2747 (Haney) - Positive Rental Credit Reporting -*** Requires rental property owners of buildings that have ***16 or more rental units at a parcel to offer each tenant the option of having the tenant's positive rental payment information reported*** to at least one nationwide consumer reporting agency.

In Case You Missed These…

2024's New State Housing Laws: Signed by Governor (Eff. 2025+)

2024s Major New State Housing Laws Passed (Effective in 2026)

- ***Assembly Bill 2801 (Friedman) - Security Deposit Deductions -*** Specifies that deductions by a landlord against a tenant's security deposit must be limited to reasonable amounts and be reasonable and necessary to restore the premises back to the condition it was in before the tenancy, except for ordinary wear and tear. Also, requires that:
  - Beginning April 1, 2025, a landlord ***must take photographs of the unit*** within a reasonable time after the possession of the unit is returned to the landlord, but before any repairs or cleanings for which the landlord will deduct from the deposit are completed, and that the landlord take photographs of the unit within a reasonable time after the repairs or cleanings are completed.
  - For tenancies beginning on or after July 1, 2025, a landlord must take photographs of the leased unit immediately before, or at the inception of the tenancy.

New Laws for 2025 – ADUs | Streamlining

- ***Assembly Bill 3057 (Wilson) - CEQA Exemption for Accessory Dwelling Units (ADUs) and Junior ADUs -*** Expands an existing California Environmental Quality Act (CEQA) exemption for city or county adoption of an ordinance to facilitate accessory dwelling units to also include adoption of an ordinance facilitating junior ADUs (Up to 500 sq. ft.).
- ***Senate Bill 1211 (Skinner) - Ministerial Approval of ADUs -*** Increases the number of detached ADUs eligible for ministerial approval on a lot with an existing multifamily dwelling from no more than two detached ADUs to no more than eight detached ADUs. Also, prohibits a local agency from requiring replacement of uncovered parking spaces demolished to allow for the construction of an ADU.

2026 Legislative Session Calendar

September 30th – Sign or Veto Deadline

• **February 20th**	• **Bill Introduction Deadline**
• **March 26th**	• Spring Recess
• **May 8th**	• Policy Committee Deadline to Consider Bills
• **May 15th**	• Fiscal Committee Deadline to Consider Bills
• **May 29th**	• Floor Deadline to Consider Bills in House of Origin
• **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 2nd House to Consider Bills
• **July 2nd Through August 3rd**	• Summer Recess
• **August 3rd**	• Legislators Return from Summer Recess
• **August 14th**	• Fiscal Committee Deadline in 2nd House to Consider Bills
• **August 31st**	• Floor Deadline to Consider Bills by 2nd House and End of Session
• **September 30th**	• Last Day for Governor to Sign or Veto Proposed Legislation

2026's Select Priority Proposed Bills – *Partial List*

- **OPPOSED: Assembly Bill 1768 (Bryan, D) - Transactions and use taxes: County of Los Angeles -** Authorizes Los Angeles County to impose an ***additional 0.5% transaction and use tax until 2031***, exceeding the standard county cap, subject to voter approval.
- **SUPPORT: Assembly Bill 1842 (Harabedian, D) - California Emergency Mortgage Relief Act** - Requires ***mortgage servicers to offer up to 12 months of forbearance for properties made uninhabitable by emergencies***, without charging late fees or reporting negative credit status.
- **OPPOSED: Assembly Bill 2350 (Mc Kinnor) - Consumer Loans - Rent Obligations** - This bill would *bar finance lenders, brokers, and program administrators from making consumer loans if a purpose of the loan is to pay any obligation under a residential rental agreement* (including rent-split loans). CalRHA is opposed to this bill and is working in coordination with a large coalition. ***Passed Assembly – Author Committed to Working on Amendments***
- **SUPPORT: Senate Bill 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. ***Passed Assembly***
- **OPPOSED: Senate Bill 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.
- **OPPOSED: Senate Bill 1296 (Durazo) - Pet Mandates in Rental Property Advertisements and Applications** - The proposed bill ***mandates landlords to clearly include their pet policy in advertisements and rental applications***. This policy must detail any breed and weight restrictions. Prospective tenants must acknowledge receipt of this policy. Furthermore, if a landlord charges an application fee without first disclosing the pet policy, they must refund the fee to the applicant. ***Passed Senate***

THE LOCAL TAXPAYER PROTECTION ACT
to Save Proposition 13

California's Constitution: Prop. 13

ARTICLE XIII A [TAX LIMITATION] [SECTION 1 - SEC. 7] *(Article 13A added June 6, 1978, by Prop. 13. Initiative measure.)*

Section 4. Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district, may impose special taxes on such district, except ad valorem taxes on real property or a transaction tax or sales tax on the sale of real property within such City, County or special district.

(Sec. 4 added June 6, 1978, by Prop. 13. Initiative measure.)

Court Loopholes

"Transfer taxes are fine if it's a charter city and a general tax." (1990s)

"If it's a Citizens' Initiative Tax Increase, the constitution doesn't apply, and a two-thirds vote isn't needed!" (2017)

Solution: Local Taxpayer Protection Act to Save Prop. 13

RESTORES the two-thirds vote for ALL local special taxes

BANS all real estate transfer taxes higher than 0.11%

REPEALS all real estate transfer taxes higher than 0.11% and REPEALS special PARCEL TAXES if they passed with less than a two-thirds vote, effective in two years

Ballot Measures: 2026

November's Qualified Ballot Measures

- **Allow Public Financing of Election Campaigns Measure**: Would allow the state and local governments to create programs that provide candidates with public funds under spending limits and eligibility rules
- **Eliminate Successor Election at a State Officer Recall Election Amendment**: Would eliminate the successor election when a state officer is recalled, thereby leaving the office vacant until it is filled according to state law.
- **Second Mortgage Homebuyer Program and Revenue Bond Initiative**: Would establish a homeownership loan program for households with incomes that do not exceed 200% of the area median income for a family of the same size in the county that requires at least a 3% of the purchase price of the qualified home for the downpayment
- **Vote Requirements for Initiatives Requiring Supermajority Votes**: Would require initiatives that change vote thresholds to supermajority votes to pass by the same vote requirement as is being proposed.
- **Voter Identification, Citizenship Verification, and Registered Voter List**: Would require voters to present government-issued identification when casting ballots and require election officials to use government data to confirm.
- **Assembly Constitutional Amendment 1 (ACA 1):** Proposal from the 2025-2026 session designed to lower the vote threshold from 66.7% to 55% for local bonds and special taxes to fund affordable housing and public infrastructure.

Other Ballot Measures

Update: Cleared Signatures

- **Billionaire Wealth Tax:** Proposal to tax California's billionaires through a one-time, emergency 5% tax on worldwide assets. (Note: a counter-measure has been proposed to eliminate this)
- **Assembly Constitutional Amendment 13 (ACA 13):** Proposal to require an initiative constitutional amendment containing provisions that increase vote thresholds should be required to attain the same proportion of votes in favor of the amendment that the proposed increased vote thresholds would demand.
- **Modify Environmental Review for Certain Projects:** Amends California Environmental Quality Act (CEQA) to expedite environmental review of specified project categories (including most housing, transportation, water, health, and clean energy projects).

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Ballot Measures: 2026

- **Property Tax Exemption for Californians 60 and Older:** Reduces local property tax revenues by exempting a principal residence from property taxes if the homeowner, or the homeowner's spouse: (1) is 60 years of age or older; and (2) has occupied the home as a principal residence for five consecutive years or has lived in California for at least 10 years.
- **Repeal of 2020's Proposition 19 (Property Inheritance):** Reinstates property tax reassessment exemptions for real property transfers between family members eliminated through Proposition 19 in 2020. Allows transfers to children (or grandchildren if parents are deceased) without property tax reassessment of: (i) principal residence, regardless of its current value or continued use as principal residence; and (ii) $1 million in other real property.

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