


AHMA-PSW 2025 CONFERENCE & EXPO

DRIVING CHANGE
IN AFFORDABLE HOUSING
LAX Marriott May 19-21, 2025



LEGISLATIVE UPDATE

BY: RAE A. BEAM, PRESIDENT @ BEAMR

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AGENDA

NEW LAWS	CURRENT LEGISLATION	AHMA-PSW'S IMPACT
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NEW LAWS

- *The Trouble Today is that we have too many laws – John Nance Garner*

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ASSEMBLY BILL 863 - AGUIR-CURRY CARPET RECYCLING

The California Integrated Waste Management Act of 1989, generally regulates the disposal, management, and recycling of solid waste; and established a stewardship programs for various products, including carpet. The act requires a manufacturer of carpets sold in this state, to submit a carpet stewardship plan, which includes achieving specified carpet recycling rates and a funding mechanism to carry out the plan. The act requires the funding mechanism to establish and provide for a carpet stewardship assessment to be added to the purchase price of carpet sold in the state by a manufacturer to a California retailer or wholesaler sold for use in the state and requires each retailer and wholesaler to add the assessment to the purchase price of all carpet sold in the state. The act requires a manufacturer or carpet stewardship organization submitting a carpet stewardship plan to pay administrative fees and imposes administrative civil penalties upon a person who violates these provisions.

AB 863 requires a carpet stewardship organization to include nonvoting board members and would require the carpet stewardship organization to pay the travel costs and other expenses for nonvoting members to participate in all board meetings. It would require a carpet stewardship organization to be responsible for, and decide upon, a carpet stewardship plan. It would prohibit a carpet stewardship organization from delegating any responsibility of its board of directors to a person who is not a member of its board of directors. It would require a carpet stewardship organization to allocate 8% of the assessments it collects for grants to apprenticeship programs; and to audit a carpet stewardship organization and a manufacturer annually.

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ASSEMBLY BILL 2347 - KALRA UD PROCEDURAL REQUIREMENTS

AB 2347 extends a defendant's time to respond to an unlawful detainer action from five court days to 10 court days. Additionally, a proof of service of summons and complaint shall be filed promptly, and a copy must also be sent to the defendant. Furthermore, a default cannot be entered by the clerk no sooner than three days following the filing of the proof of service of summons and complaint.

- Does not address the core issue pertaining to timely judgment relating to unlawful detainer litigation.
- Currently, the average length of time of unlawful detainer ("UD") litigation through judgment on contested UD cases is three to four months. The current litigation process actually harms tenants losing possession on a residential rental unit by incurring rental debt for four to five months, as opposed to one or two months; which creates an impossible financial burden on tenants who are being evicted for non-payment of rent.
- This Bill is a proverbial "band-aid"; it should be amended to focus on addressing the core issues of unlawful detainer litigation, which is to create law that shortens the standardized litigation process of UD's for more practicable outcomes.

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ASSEMBLY BILL 2747 – HANEY RENT REPORTING

AB 2747 requires a landlord to offer any tenant obligated on a lease the option of having the tenant's positive rental payment information reported to at least one nationwide consumer reporting agency. For leases entered on and after April 1, 2025, the offer of positive rental payment information reporting to be made at the time of the lease agreement and at least once annually thereafter, and for leases outstanding as of January 1, 2025, the offer of positive rental payment information reporting to be made no later than April 1, 2025, and at least once annually thereafter. Authorizes a tenant to request, and would require a landlord to provide, additional copies of the written election of positive rental payment information reporting at any time. Authorizes a tenant who elects to have positive rental payment information reported to subsequently file a written request to stop that reporting and would require the landlord to comply with that request. Prohibits a tenant who stops positive rental payment information reporting from electing reporting again for at least 6 months. Landlords may charge a tenant that elects to have positive rental payment information reported the lesser of \$10 per month or the actual cost to the landlord to provide the service, unless the landlord does not incur any actual cost to provide positive rental payment reporting. Prohibits a landlord from taking certain actions if a tenant fails to pay the landlord's rent reporting charge. Exempts from these provisions a landlord of a residential rental building that contains 15 or fewer dwelling units, unless specified conditions are met, and an assisted housing development.

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ASSEMBLY BILL 2493 - PELLERIN APPLICATION SCREENING FEES

AB 2493 authorizes a landlord or their agent to charge an application screening fee only if the landlord or their agent, at the time the application screening fee is collected, offers an application screening process, as specified. This bill also prohibits a landlord or their agent from charging an applicant an application screening fee when they know or should have known that no rental unit is available at that time or will be available within a reasonable period of time. The bill removes the requirement that an applicant request a copy of the consumer credit report in order to obtain a copy, and, instead, requires the landlord or their agent to provide a copy of the report within 7 days of the landlord or their agent receiving the report.

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ASSEMBLY BILL 2801 – FRIEDMAN SECURITY DEPOSITS

AB 2801 limits the use of a security deposit to material and supplies necessary to make reasonable replacement or repairs and prohibits the use of professional cleaning services, including carpet cleaning. AB 2801 also leaves a gap of time between a pre-move out inspection and when tenants actually move out that exposes property owners or their agents to liability for damage caused by tenants and prohibiting recovery from tenants.

- Professional carpet cleaning is a service that ensures proper cleanliness of unsanitary conditions resulting from pet urine and/or excrement.
- Improper carpet cleaning creates unnecessary liability for property owners and their agents to habitability complaints from subsequent tenants.
- Replacing carpet after each tenancy is unnecessary and costly if proper professional carpet cleaning is an adequate measure to maintain habitability.
- Penalizing a property owner or their agent for using a professional cleaning service to ensure habitability for a subsequent tenant is punitive.
- There is no legal definition of “strictly comply”, which will result in continued costly litigation by both a property owner and tenant over arguments of the interpretation of the term.

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SENATE BILL 611 – MENJIVAR FEES AND SECURITY

Current law makes a tenant of real property guilty of unlawful detainer if, among other things, the tenant continues in possession of the real property after giving notice of termination of a hiring of residential property for an unspecified term. SB 611 prohibits a landlord or its agent from charging a tenant a fee for serving, posting, or otherwise delivering any notice, as specified in the above-described provisions.

CURRENT LEGISLATION

- *If you want good laws, burn those you have and make new ones -
Voltaire*

ASSEMBLY BILL 11 - LEE

THE SOCIAL HOUSING ACT

AB 11 would create the California Housing Authority as an independent state body, the mission of which would be to ensure that social housing developments that are produced and acquired align with the goals of eliminating the gap between housing production and regional housing needs assessment targets and preserving affordable housing. The bill would prescribe a definition of social housing that would describe, in addition to housing owned by the authority, housing owned by other entities, as specified. AB 11 would mandate all social housing developed or authorized by the authority would be owned by the authority.

- AB 11 is the Author's third attempt to write the Social Housing Act into California state law. The Governor last vetoed a similar bill in October 2023.
- The language in AB 11 is government overreach by granting the State "all powers necessary" regarding the implementation of the social housing program.
- The language in AB 11 is vague and ambiguous as it pertains to the State's ability to initiate eminent domain to "acquire" existing housing developments.
- *"Priority consideration for the use of the authority's proceeds shall be given to the building and acquiring of social housing units, and subsidies for extremely low income, very low income, and low-income residents in affordable units."*

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ASSEMBLY BILL 246 - BRYAN

SOCIAL SECURITY TENANT PROTECTION

Originally AB 246 would have prohibited all owners of residential real property from increasing rental rates for all dwellings or units located within the Counties of Los Angeles and Ventura in excess of the rental rate charged for all dwellings or units on January 7, 2025 – for an entire year, through January 7, 2026. Further, AB 246 intended to permit the district attorney to enforce this prohibition.

Current law provides that a tenant is guilty of unlawful detainer if the tenant continues to possess the property without permission of the landlord after the tenant defaults on rent or fails to perform a condition or covenant of the lease under which the property is held, among other reasons. Current law requires a tenant be served a 3 days' notice in writing to cure a default or perform a condition of the lease, or return possession of the property to the landlord, as specified. AB 246 would, until January 20, 2029, enact the Social Security Tenant Protection Act of 2025 (the Act). The Act would prohibit a court, during a declared social security benefit payment interruption, from issuing a summons on a complaint for unlawful detainer in any action that seeks possession of residential real property and that is based, in whole or in part, on nonpayment of rent or other charges, if the defendant experiences a loss of income due to the social security benefit payment interruption.

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ASSEMBLY BILL 1157 - KALRA RENT INCREASE RESTRICTIONS

Current law prohibits the owner of a residential real property from terminating a tenancy without just cause, as defined, after a tenant has continuously and lawfully occupied a residential real property for 12 months. Among other residential real properties or residential circumstances, current law exempts from these provisions a residential real property, including a mobilehome, that is alienable separate from the title to any other dwelling unit if the owner meets specified criteria and the tenants have been provided a specified written notice of the exemption. Current law repeals these provisions on January 1, 2030. This bill would revise these provisions by removing the exemption for separately alienable residential real property and, instead, only exempting a mobilehome if the above-described criteria are met.

AB 1157 would also limit the rent cap to 2% as opposed to the current legal annual maximum increase of 5%. Affordable housing is already exempted within the statutory code that AB 1157 aims to amend. The author has recently decided make this bill a two-year bill, which means it will not move forward this year, but will be reintroduced next year. This bill will be one to watch next year to confirm affordable housing remains exempted.

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SENATE BILL 448 - UMBERG REMOVAL OF TRESPASSERS

SB 448 creates a remedy for property owners and their agents to vacate an unlawful occupant, AKA "squatter", by permitting local law enforcement to lawfully remove said unlawful occupant.

SB 448 is an attempt to permit property owners and their agents to lawfully remove an unlawful occupant quickly through law enforcement rather than file unlawful detainer actions that not only cause delays in removal but also transition "vacate" to "eviction".

- Permits a property owner to request law enforcement to immediately remove an individual from their property by providing a sworn affidavit that the individual has unlawfully entered the property, remains on the property after being directed to leave, and has no right to occupy the property.
- Would create penalties for those engaged in trespassing, including falsifying documents, misleading law enforcement, causing property damage, and falsely advertising the sale or rent of a property without legal authority.
- Includes penalties for property owners who wrongfully remove persons who rightfully occupy a property and provides substantial civil protections for individuals who are wrongfully removed.
- Includes an immunity provision to protect law enforcement.

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AHMA-PSW'S IMPACT

- *A legislative act contrary to the Constitution is not law – John Marshall*

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HOW AHMA-PSW IS INVOLVED WITH STATE LEGISLATION

- **AHMA** “Legs and Regs” Committee / Contracted Legislative Advocate
- **AHMA** Bills are reviewed from the time they are introduced until they reach conclusion.
- **AHMA** Bills potentially affecting AHMA-PSW members, property owners, and/or affordable housing are “Tracked”
- **AHMA** Tracked Bills are among Legs and Regs Committee and Advocate
- **AHMA** Tracked Bills are “Tracked” by priority – Letters Drafted/Sent
- **AHMA** Property Tours, In-District Meetings, “Annual Leg Days”, State Department Meetings

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KILLING AND AMENDING BILLS

Amia Assembly Bill 2216 – known as the “Pet Bill” – Introduced February 2024, by San Francisco Assemblymember Matt Haney

- Aggressively opposed by 10 residential rental housing authorities
- Tremendous pressure caused Haney to “Kill” his own bill in early July 2024.

Amia Assembly Bill 246 – known as the Introduced by Los Angeles Assemblymember Isaac Bryan

- AHMA-PSW submitted an opposition letter with request to exempt affordable housing. Bryan agreed and amended the bill.

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IMPORTANCE OF MEMBER PARTICIPATION

Amia Review “Red Alerts” issued by AHMA-PSW

Amia Contact District Representatives in which properties are located

Amia Ask AHMA-PSW’s “Legs and Regs” Committee if you can be of assistance as a Member







Amia The more Members who participate the louder AHMA-PSW’s voice grows

Amia The stronger the voice, the more impact AHMA-PSW has at the Capitol

Amia The more impact AHMA-PSW has at the Capitol, the more legislators are apt to seeking our guidance regarding Bills impacting the industry

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WHAT'S TRENDING

-  FAIR Plan / Insurance
-  Water Resources
-  Housing Development / Homelessness / Housing First / Housing Elements
-  Mental Health Service Providers
-  Relocation Assistance re: Chiquita Canyon Landfill Disaster
-  One Bill stands out among the rest: Social Housing Act

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THANK YOU
FOR ATTENDING

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