SENATE COMMITTEE ON LOCAL GOVERNMENT Senator María Elena Durazo, Chair

2025 - 2026 Regular

Bill No:	AB 1529	Hearing Date:	7/16/25
Author:	Committee on Housing and	Fiscal:	Yes
Version:	Community Development 6/17/25	Consultant:	Favorini-Csorba

HOUSING OMNIBUS

Makes various changes to sections of law relating to housing.

Background

Each year, stakeholders discover problems with state statutes affecting housing. These minor problems do not warrant separate (and expensive) bills. According to the Legislative Analyst, the cost of producing a bill in 2001-02 was \$17,890.

The Senate Housing Committee and the Assembly Housing and Community Development Committee responds by combining several of these minor topics into an annual "omnibus bill." In 2024, for example, SB 1512 (Committee on Housing) contained three proposals to change state law, avoiding approximately \$36,000 in legislative costs. Although this practice may violate a strict interpretation of the single-subject and germaneness rules as presented in Californians for an Open Primary v. McPherson 43 Cal.Rptr.3d 315 (2006), nevertheless it is an expeditious and relatively inexpensive way to respond to multiple requests.

Proposed Law

Assembly Bill 1529 makes various changes to sections of law relating to housing:

Tenant Protection Act of 2019. AB 1482 (Chiu, 2019) limits rent-gouging in California by placing an upper limit of 5% plus inflation on annual rent increases. It also requires a landlord to have and state a just cause in order to evict tenants who have occupied the premises for a year. This bill provides that the notice that a property is subject to AB 1482 may be provided in the lease or rental agreement instead of as an addendum to the agreement. [See Section 1 of the bill.]

Housing Accountability Act (HAA). AB 1893 (Wicks, 2024) amended the HAA to revise the standards a housing development project must meet in order to qualify for the "Builder's Remedy," which authorizes projects to bypass local development standards in jurisdictions that fail to adopt a substantially compliant element. This bill makes the following corrections [See SEC. 2]:

• AB 1893 expanded the definition of "disapproval" of a project to include a determination that a preliminary application expired for any reason other than those described in the section of the Permit Streamlining Act that governs preliminary applications. Because

subsequent legislation added to and reordered those subdivisions, this bill corrects the cross-reference.

• The allowable density under AB 1893 for builder's remedy projects includes a 35 unit/acre bump for projects in a "very low vehicle travel area, as defined in subdivision (h)." Because this definition is no longer in subdivision (h), this bill corrects the cross reference.

Preservation Notice Law (PNL). PNL requires an owner proposing the termination or prepayment of government assistance on an assisted housing development to provide notice of the proposed change to each affected tenant, as well as affected public entities, as specified. This bill makes the following minor and technical changes [See SEC. 3 and 4.]:

- This bill makes minor changes to wording in statute to clarify the requirements and ensure that notices are being issued at the correct time.
- Properties with regulatory agreements with low-income housing tax credits still have to maintain the tax credit rents for three years after foreclosure, but it is difficult to track those properties without proper notice prior to foreclosure. This bill adds a requirement to PNL that within 10 days of recording a notice of default, notice must also be provided to the affected public entities.
- This bill also makes technical changes to clarify that the Notice of Opportunity to Submit an Offer of Purchase must be provided prior to, or concurrently with, the 12-month notice to tenants of a possible conversion.

Rent increases on Low-Income Housing Tax Credit properties. AB 846 (Bonta, 2024) requires the California Tax Credit Allocation Committee (TCAC) to adopt regulations by June 30, 2025 to establish a limit on annual rent increases for tenants in existing properties that were allowed a low-income housing tax credit, and directs TCAC to annually assess the rent increase limit. Some practitioners and attorneys have requested clarification of the "affordable rent" definition under AB 846. This bill clarifies that when a housing project uses a land use tool that triggers the rent limits and receives local, state, or federal loans or grants, the TCAC rent limits can be used if any of those funding sources use the TCAC rent limits. [See SEC. 5.]

Farmworker housing. AB 2240 (Arambula, 2024) requires all housing units at Office of Migrant Services farm labor centers to be made available for year-round occupancy by migratory farmworkers by January 1, 2031, pursuant to a six-year transition plan to be developed and implemented by the Department of Housing and Community Development (HCD). This bill clarifies language from AB 2240 to specify that rather than re-reviewing all state property, HCD and the coordinating agencies shall use the existing list of state sites previously identified as candidates for affordable housing development under Executive Order N-06-19 and AB 2233 (Quirk-Silva, 2022). [See SEC. 6.]

Comments

1. <u>Purpose of the bill</u>. AB 1529 compiles, into a single bill, minor statutory changes to five parts of state laws affecting housing. The purpose of omnibus bills is to include technical and non-controversial changes to various committee-related statutes into one bill. This allows the Legislature to make multiple, minor changes to statutes in one bill in a cost-effective manner. If there is no consensus on a particular item, it cannot be included.

2. <u>Incoming</u>! The Senate Rules Committee has ordered a double referral of AB 1529: first to the Committee on Housing, which approved AB 1529 at its June 24th hearing on a vote of 11-0, and second to the Committee on Local Government.

Assembly Actions

Assembly Housing and Community Development Committee:	10-0
Assembly Appropriations Committee:	15-0
Assembly Floor:	69-0

Support and Opposition (7/11/25)

Support: California Housing Partnership

Opposition: None Submitted

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