SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

AB 632 (Hart)
Version: May 7, 2025
Hearing Date: July 15, 2025
Fiscal: No
Urgency: No
AWM

SUBJECT

Local ordinances: administrative fines or penalties

DIGEST

This bill authorizes a local agency to obtain an enforceable judgment for administrative fines or citations entered for specified violations, after the alleged violator has had the opportunity to exhaust the available judicial review process; and permits a local agency to collect fines or penalties imposed administratively through the placement of a lien on the parcel of land on which the violation occurred.

EXECUTIVE SUMMARY

Since Californians voted to approve the use of cannabis by adults for recreational use in 2016, there has been a steady stream of legislation granting local governments more authority to take action against unlicensed cannabis activity. AB 2164 (Cooley, Ch. 316, Stats. 2018) and AB 1684 (Maienschein, Ch. 477, Stats. 2023) expanded an existing Government Code section authorizing local governments to impose administrative fines or penalties for specified violations, thereby allowing local governments to establish ordinances prohibiting unlicensed cannabis activities and to impose administrative fines or penalties for violations.

This bill adds two new features to the Government Code local ordinance regime. First, the bill authorizes a local government to obtain a judgment following the exhaustion of administrative procedures, only for violations of (1) cannabis-related ordinances; (2) violations of the State Housing Law; (3) any law, regulation, or local ordinance that ensures the habitability of rental housing; and (4) any law, regulation, or local ordinance relating to fire hazards. Second, the bill authorizes a local government to establish an ordinance to collect on an administrative fine or penalty by a lien on the parcel of land on which the violation occurred, provided that several procedural conditions are met. Specifically, the landowner and any holder of an encumbrance on the land must be served with the charging documents or notice of violation, and be

given the opportunity to challenge the violation; they must also be served with a notice of the lien after any challenges have been exhausted. The author has agreed to amendments to clarify that a local government can obtain a judgment only after the exhaustion of available judicial review procedures, to clarify the steps a local government must take before imposing a lien, and to more narrowly tailor the types of violations for which a lien can be imposed.

This bill is sponsored by the California Association of Code Enforcement Officers, the County of Santa Clara, and Rural County Representatives of California and is supported by the California State Association of Counties, the City of Norwalk, the League of California Cities, and Urban Counties of California. This bill is opposed by ACLU California Action. The Senate Local Government Committee passed this bill with a vote of 5-2.

PROPOSED CHANGES TO THE LAW

Existing law:

1) Establishes the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which establishes a comprehensive system to control and regulate the cultivation, distribution, transport, storage, manufacturing, processing, and sale of medical cannabis and recreational cannabis for adults aged 21 years and older. (Bus. & Prof. Code, div. 10, §§ 26000 et seq.)

2) Establishes the Department of Cannabis Control, under the supervision and control of a director, who is tasked with administering and enforcing the provisions of MAUCRSA. (Bus. & Prof. Code, § 26010.)

3) Provides that, with specified exceptions for medical cannabis, MAUCRSA does not supersede or limit local authority:
    a) To adopt and enforce local ordinances to regulate licensed cannabis businesses, including, but not limited to, local zoning and land use requirements, business license requirements, and requirements related to reducing exposure to secondhand smoke, or to completely prohibit the establishment or operation of one or more types of cannabis business types authorized by MAUCRSA.
    b) To undertake local law enforcement responsibilities, including zoning requirements, or enforce local licensing, permitting, or other authorization requirements. (Bus. & Prof. Code, § 26200.)

4) Defines a "local agency" as a county, city, whether general law or chartered, city and county, town, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public agency. (Gov. Code, § 54951.)

5) Authorizes the legislative body of a local agency to make any violation of any ordinance enacted by the local agency subject to an administrative fine or penalty.
    a) The local agency must set forth by ordinance the administrative procedures that govern the imposition, enforcement, collection, and administrative review by the local agencies of those fines or penalties.
    b) The administrative procedures must provide a reasonable period of time for a person to correct or remedy a violation prior to the imposition of fines or penalties, when the violation pertains to building, plumbing, electrical, or other similar structural or zoning issues that do not create an immediate danger to health or safety. (Gov. Code, § 53069.4(a)(1), (2).)

6) Provides, notwithstanding 5), that a local agency may adopt an ordinance declaring commercial cannabis activity undertaken without a required license to be a public nuisance and provide for the immediate imposition of administrative fines or penalties for the violation of building, plumbing, electrical, or other similar structural, health and safety, or zoning requirements if the violation exists as a result of, or to facilitate, the unlicensed cultivation, manufacturing, processing, distribution, or retail sale of cannabis for which a license is required. (Gov. Code, § 53069.4(a)(2)(B).)

7) Permits an ordinance adopted under 6) to impose the administrative fines and penalties upon the property owner and each owner or occupant business entity engaging in unlicensed commercial cannabis activity, and may hold them jointly and severally liable for the administrative fines and penalties. (Gov. Code, § 53069.4(a)(2)(C).)

8) Provides that administrative fines or penalties adopted pursuant to 6) shall not exceed $1,000 per violation and shall not exceed $10,000 per day. (Gov. Code, § 53069.4(a)(2)(D).)

9) Requires an ordinance adopted under 6) to provide a reasonable time for correction or remedy of the violation prior to the imposition of administrative fines or penalties if all of the following are true:
    a) A tenant is in possession of the property that is the subject of the administrative action.
    b) The real property owner or agent can provide evidence that the rental or lease agreement prohibits the cultivation of cannabis.
    c) The rental property owner or agent did not know the tenant was illegally cultivating cannabis and no complaint, property inspection, or other information caused the rental property owner or agent to have actual notice of the illegal cannabis cultivation. (Gov. Code, § 53069.4(a)(2)(E).)

10) Permits a person to contest an administrative penalty or fine imposed pursuant to 1) or 6) to seek review of the final order or decision by filing, within 20 days after service of the final order or decision, an appeal to be heard by the superior court.
    a) The superior court shall hear the appeal de novo.
    b) The contents of the local agency's file in the case shall be received into evidence, and a copy of the document or instrument of the local agency providing notice of the violation and imposition of the administrative fine or penalty shall be admitted into evidence as prima facie evidence of the facts stated therein.
    c) An appeal under this provision is a limited civil case and the conduct of the appeal is a subordinate judicial duty that may be performed by traffic commissioners and other subordinate judicial officials at the direction of the presiding judge of the court.
    d) The person may deposit the amount of the fine or penalty prior to the appeal and, if they prevail, the local government must return the deposit; alternatively, the appeal may proceed without a deposit, and if the local government prevails, they may proceed to collect the penalty, as specified. (Gov. Code, § 53069.3(b)-(d).)

11) Permits, as an alternative to the review procedure in 10), a person to seek review of an administrative penalty or fine imposed pursuant to 5) or 6) through a petition for a writ of mandate.
    a) The court's inquiry in such a proceeding extends only to the questions of whether the respondent has proceeded without, or in excess of, jurisdiction; whether there was a fair trial; and whether there was any prejudicial abuse of discretion.
    b) An abuse of discretion is established if the respondent has not proceeded in the manner required by law, the order or decision is not supported by the findings, or the findings are not supported by the evidence.
    c) If the court finds that there is relevant evidence that, in the exercise of reasonable diligence, could not have been produced or that was improperly excluded at the hearing before respondent, it may remand the case to be reconsidered in the light of that evidence.
    d) The court may stay the operation of the administrative order or decision pending before the court, unless the stay is against the public interest. (Code Civ. Proc., § 1094.5; *Martin v. Riverside County Dept. of Code Enforcement* (2008) 166 Cal.App.4th 1406, 1411-1412.)

12) Establishes procedures for a writ petition filed pursuant to 11), including requiring that the petition be filed not later than the 90th day after which the date the decision becomes final. (Code Civ. Proc., § 1095.6.)

This bill:

1) Permits a local agency to file a certified copy of a final administrative order or decision that directs the payment of the fine or penalty and, if applicable, a copy of an order of the superior court rendered on the appeal or denying the petition for writ of mandate with the clerk of the superior court of any county.
    a) Upon the filing, judgment shall be entered immediately by the clerk in conformity with the decision or order.
    b) The clerk shall not file a fee for the performance of an official service required in connection with the entry of judgment.

2) Provides that judgment may be entered immediately pursuant to 1) only in the following case types:
    a) Any law, regulation, or local ordinance regulating or prohibiting the cultivating, manufacturing, producing, possessing, preparing, storing, providing, donating, selling, delivering, or distribution of cannabis or cannabis products, including an ordinance adopted under MAUCRSA.
    b) The State Housing Law or its regulations or ordinances.
    c) Any law, regulation, or local ordinance that ensures the habitability of rental housing, as specified.
    d) Any law, regulation, or local ordinance relating to fire hazards.

3) Provides that a local entity may obtain a judgment from the superior court under 1) only after the exhaustion of the available judicial review procedures, or the expiration of the time to seek review.

4) Permits a local agency to establish, by ordinance, a procedure to collect administrative fines or penalties by imposing a lien upon the parcel of land upon which the violation occurred, provided the procedures in 5), below, are met.

5) Requires a procedure established pursuant to 4) to require all of the following to be served on the landowner of the property and the holder of any encumbrance on the property, if any:
    a) The initial notice of violation or other charging documents at the time of the comment of the administrative procedures for imposition of administrative fines or penalties. A landowner or encumbrance holder shall be entitled to seek administrative review of those administrative fines or penalties in accordance with existing law.
    b) A notice of lien, which shall be provided after the exhaustion of the administrative and review procedures provided in this section and before the recordation of the lien.

6) Requires the initial notice of the violation or other charging document and the notice of lien to be served via first-class mail or personal service.

a) In case of service by mail, the notice or other paper shall be deposited in a post office, mailbox, subpost office, substation, or mail chute, or other facility maintained by the United States Postal Service (USPS), in a sealed envelope, with postage paid, addressed to each party required under 5).
b) Service by mail is deemed complete at the time of the deposit in the mail facility, and the period for responding to the notice or taking action is not extended by the mailing times set forth in Code of Civil Procedure section 1013.

7) Provides that the landowner and encumbrance holder, if any, served under 5) are entitled to seek administrative review of the administrative fines or penalties in accordance with the procedures set forth in the ordinance and to contest a final administrative order or decision in accordance with applicable law.

8) Provides that, once a copy of the notice of lien under 5) is recorded in the county recorder's office, the lien shall have the same force, effect, and priority as a judgment lien.

9) Provides that the remedies or penalties that a local agency may establish pursuant to ordinance are cumulative to remedies or penalties available under other law.

COMMENTS

1. Author's comment

According to the author:

> AB 632 provides local governments with a more effective tool to collect existing penalties for violations of local ordinances relating to housing, fire safety, and unlicensed cannabis activities. The bill includes due process protections, ensuring individuals receive proper notice, can contest fines through administrative review, and have the right to appeal before enforcement actions like liens or judgments are imposed. These safeguards strike the appropriate balance of fairness while allowing local governments to hold those who break the law accountable.

2. MAUCRSA imposes a legal cannabis regime that provides for both state-level and local-level control

While cannabis remains a Schedule I narcotic under federal law,[1] California has permitted medical cannabis use since 1996.[2] Adult recreational cannabis use was

[1] 21 U.S.C. § 812. Drugs designated as Schedule I ostensibly have a high potential for abuse, no currently accepted medical use in treatment in the United States, and a lack of accepted safety for use of the drug or

approved by the voters in 2016,[3] and the Legislature subsequently enacted MAUCRSA to streamline and synthesize the licensing and regulatory regimes for medical and recreational cannabis.[4] Consistent with the ballot measure approved by the voters, MAUCRSA allows local governments to adopt and enforce local ordinances to regulate cannabis businesses licensed by the State, including imposing local zoning and land use requirements or completely prohibiting the establishment or operation of licensed cannabis businesses.[5]

In 2018, the Legislature enacted AB 2164 (Cooley, Ch. 316, Stats. 2018), which authorized a local agency to adopt an ordinance allowing for the immediate imposition of administrative fines or penalties for the violation of building, plumbing, electrical, or other similar structural, health and safety, or zoning requirements if the violation was the result of, or was to facilitate, the illegal cultivation of cannabis.[6] The bill created an exception to the general rule that, before a fine could be imposed pursuant to a local agency's administrative procedure, the person responsible for the violation had to be provided with an opportunity to cure the violation if it did not create an immediate danger to health or safety.[7] The bill also created an exception to the exception: a landlord whose tenant was responsible for the unlicensed cannabis cultivation and violation does have the opportunity to cure the violation, if the rental agreement prohibited the cultivation of cannabis and the landlord was unaware that the cannabis cultivation was occurring.[8] According to the Senate Governance and Finance Committee's analysis of AB 2164, the bill was needed because, under the laws in place at the time, unlicensed cultivators could evade administrative penalties simply by moving locations.[9]

In 2023, the Legislature enacted AB 1684 (Maienschein, Ch. 477, Stats. 2023), which expanded the AB 2164 regime by allowing local agencies the authority to impose immediate fines or penalties, of up to $10,000 daily, for zoning and building violations that arise from unlicensed commercial cannabis activity. AB 1684 retained the existing right to cure for landlords who were unaware of the unlicensed cannabis activity on their property and meet specified criteria, but permitted, in other cases, the fines to be imposed jointly and severally on a property owner and each owner of the occupant unlicensed cannabis activity.

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other substance under medical supervision. (*Id.*, § 812(b)(1).) Opium and fentanyl, by contrast, are designated as Schedule II. (*Id.*, § 812, Schedule II.)

[2] Compassionate Use Act (Prop. 215), as approved by voters, Gen. Elec. (Nov. 5, 1996).

[3] The Control, Regulate, and Tax Adult Use of Marijuana Act (Prop. 64), as approved by voters, Gen. Elec. (Nov. 8, 20216).

[4] SB 94 (Committee on Budget and Fiscal Review, Ch. 27, Stats. 2017).

[5] Bus. & Prof. Code, § 26200.

[6] *See* Gov. Code, § 53069.4(a)(2)(B).

[7] *Id.*, § 53069.4(a)(2)(A).

[8] *Id.*, § 53069.3(a)(2)(C).

[9] Sen. Com. on Gov. & Fin., Analysis of Assem. Bill No. 2164 (2017-2018 Reg. Sess.), as amended May 29, 2018, p. 4.

3. This bill authorizes a local government to obtain an entry of judgment for violations of specified local ordinances, after the option for judicial review has been exhausted, and permits a local government to place a lien on a property to enforce such a judgment

This bill implements two changes to the statute governing local government fines and ordinances. According to the author and sponsors, these measures will help local governments combat unlicensed cannabis activities.

First, the bill permits a local government, following the imposition of a fine or administrative penalty and the exhaustion of any review procedures, to obtain an expedited entry of judgment for: (1) cannabis-related violations; (2) violations of the State Housing Law; (3) any law, regulation, or local ordinance that ensures the habitability of rental housing; and (4) any law, regulation, or local ordinance relating to fire hazards. These categories are narrowly drawn to apply only to violations that impact health and safety. The bill also sets forth the procedural requirements for obtaining the immediate entry of judgment.

Second, the bill authorizes a local agency to establish, by ordinance, a procedure to collect administrative fines or penalties imposed pursuant to an existing local ordinance by imposing a lien on the parcel of land in which the violation occurred. The lien ordinance must require the landowner or holder of an encumbrance on the property to be served with the initial notice of violation or other charging document commencing the administrative procedures for imposition of administrative fines or penalties, and the landowner or encumbrance-holder must be given the opportunity to contest the administrative fine or penalty through the avenues provided under existing law. After the review process is exhausted, the local government may record the notice of lien, and the lien shall have the same force, effect, and priority as a judgment lien.

4. Due Process issues

The Fourteenth Amendment of the United States Constitution, and Section 15 of Article I of the California Constitution, prohibit the state from denying a person of life, liberty, or property without due process of law.[10] The state's protection of procedural due process "is much more inclusive and protects a broader range of interests than under the federal Constitution."[11] California's "approach presumes that when an individual is subject to deprivatory governmental action, he always has a due process liberty interest in both fair and unprejudiced decision making," which "places front and center the issue of critical concern, i.e., what procedural protections are warranted in light of governmental and private interests."[12] In terms of what quantum of process is necessary, the state and federal analyses are the same: "due process is flexible and calls

[10] U.S. Const., 14th amend; Cal. Const., art. I, § 15.
[11] *Gresher v. Anderson* (2005) 127 Cal.App.4th 88, 104-105 (cleaned up).
[12] *People v. Ramirez* (1979) 25 Cal.3d 260, 268.

for such procedural protections as the particular situation demands…not all situations calling for procedural safeguards call for the same kind of procedure."[13]

Here, a local government is already empowered to levy significant fines for various code violations. For cannabis-related violations, the fines can be up to $1,000 for each violation, and up to $10,000 per day;[14] the penalties for violations that constitute an infraction can range from $100 to $2,500.[15] The statute does not set a cap on other possible violations. Moreover, while a local government is ostensibly required to give a person a "reasonable time" to correct a violation before imposing a fine or penalty, there's an exception that can swallow the rule: the correction period does not need to be provided for issues "that do not create an immediate danger to health or safety," or virtually any violation related to unlicensed cannabis, with a narrow exception for a landowner who was unaware of unlicensed cannabis activity on the property.[16]

With respect to the initial process the local government is required to provide, the statute is vague: it requires only that the local agency "set forth by ordinance the administrative procedures that shall govern the imposition, enforcement, collection, and administrative review by the local agency of those administrative fines or penalties."[17] Some counties' review procedures are far stricter than what would be permitted in a court: for example, the Counties of San Joaquin and Sonoma require that the alleged violator, as a condition of their right to an administrative appeal, deposit the full amount of the assessed penalty unless they complete a "hardship waiver," which the county can decide to reject.[18]

After the administrative review process is exhausted, the subject of a fine or penalty has two options to seek judicial review: through a petition for a writ of mandamus—the standard avenue for seeking review of agency actions[19]—or a limited de novo review in the superior court.[20] There are ups and downs to either option. In a writ of mandamus procedure, the petitioner does not get a completely fresh hearing; instead, the court reviews "whether the respondent has proceeded without, or in excess of, jurisdiction; whether there was a fair trial; and whether there was any prejudicial abuse of discretion."[21] The de novo review in supreme court is, as the name sounds, allows the subject to challenge the citation in the superior court without any deference being given to the local agency. The review is limited, however, because the proceeding is classified as a "limited civil case,"[22] which provides fewer rights to the litigants than an unlimited

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[13] *Morrissey v. Brewer* (1972) 408 U.S. 471, 481.
[14] Gov. Code, § 53069.4.
[15] *Id.*, §§ 25132, 36900, 53069.4(a).
[16] *Id.*, § 53069.4(a)(2).
[17] *Id.*, § 53069.4(a)(1).
[18] San Joaquin Code of Ordinances, §§ 1-2032, 1-2033; Sonoma County Code of Ordinances, § 1-7.6(h).
[19] *See* Code Civ. Proc., §§ 1094.5, 1094.6.
[20] Gov. Code, § 53069.4(b).
[21] Code Civ. Proc., § 1094.5.
[22] *Id.*, § 53069.4(b); *Martin v. Riverside County Dept. of Enforcement* (2008) 166 Cal.App.4th 1406, 1411.

civil case. Parties to a limited civil case cannot file a special demurrer to the complaint;[23] have strict limits on how many discovery requests they can propound, including only one deposition per side;[24] and have to appeal a judgment to the appellate division of the superior court, not the Court of Appeals.[25] These limitations generally make sense because the default maximum amount in controversy for a limited civil case is $35,000.[26] But here, where a person could surpass the limited civil jurisdiction ceiling in just four days, the "limited case" designation could severely hamper a person's ability to seek judicial review of their fine or penalty.

Taking all of these factors together, there are serious concerns that, to the extent this bill could be interpreted to deny the subject of an administrative fine or penalty of further procedural protections, the bill could run afoul of the state and federal Due Process Clauses. The author and sponsors, however, have explained that their intent is not to permit the imposition of judgment before the judicial review process is complete, and have agreed to amend the bill to that effect. The author has also agreed to amendments that would prohibit a county from placing a lien to recover the cost of a penalty if they condition access to the appeals process on prepayment. These amendments are set forth below in Comment 5.

The question of whether it is appropriate to authorize a local government to place a lien on property for which a judgment of enforcement has been entered is derivative of the question of whether the landowner was given adequate process before the judgment was entered. The author and sponsors have stated that their goal is to limit the imposition of liens to properties in which the landowner, or the holder of an encumbrance, was cited under the local ordinance in the first instance; in other words, a local government cannot place a lien on a parcel whose landowner was not part of the underlying action for fines or penalties and who was not given the opportunity for judicial review in the first instance. The author has agreed to amendments to clarify these provisions, set forth below.

5. Amendments

As noted above, the author has agreed to amend the bill to clarify that a local government cannot obtain a judgment to enforce a fine or penalty until the subject of the fine has exhausted their right to judicial review, or until the time to seek judicial review has expired; and the requirements for imposing a lien on a property whose owner was cited for a violation of a local ordinance. The author has also agreed to amend the bill to clarify the notice provisions. The amendments are set forth below, subject to any nonsubstantive changes the Office of Legislative Counsel may make.

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[23] Code Civ. Proc., § 92.
[24] *Id.*, § 94
[25] *See* Cal. Rules of Court, tit. 8, div. 4, rules 8.800 et seq.
[26] Code Civ. Proc., § 85.

Amendment 1

On page 5, in line 1, after "(1)" insert "(A)"

Amendment 2

On page 5, in line 2, delete "and review"

Amendment 3

On page 5, in line 3, after "section" insert "and expiration of the time to seek judicial review or conclusion of judicial review proceedings, as applicable"

Amendment 4

On page 3, between lines 10 and 11, insert:

(B) Before making a filing under subparagraph (A), the agency shall serve a notice of entry of judgment upon all parties named in the final administrative order or judicial decision in the manner set forth in subparagraph (B) of paragraph (3) of subdivision (f).

Amendment 5

On page 5, in line 24, after "part" insert ", if the violation results in the building being substandard as described in Section 17920.3 of the Health and Safety Code"

Amendment 6

On page 5, delete lines 29-30 and insert:

(D) Any of the following laws or regulations relating to fire hazards, including regulations adopted pursuant to these laws, and local ordinances implementing these laws and regulations or establishing substantially similar requirements for any lands, structures, or activities:

(i) Chapters 2 and 3 (commencing with Section 4251) of Part 2 of Division 4 of the Public Resources Code.

(ii) Chapter 6.8 (commencing with Section 51175) of Part 1 of Division 1 of Title 5 of the Government Code.

(iii) Part 2 (commencing with Section 12500) of Division 11 of the Health and SafetyCode.

(iv) Part 2 (commencing with Section 13100) of Division 12 of the Health and Safety Code.

(v) Chapters 7 and 7A of the California Building Code.

(vi) Parts II, IV, and V of the California Fire Code.

(vii) Section R337 of the California Residential Code.

(viii) Chapter 12-7A of the California Referenced Standards Code

Amendment 7

On page 5, in line 34, after "occurred" insert:

, provided that the ordinance meets all of the following requirements:

(1) All of the following must occur before a notice of lien is served:

(A) The property owner is served with a notice of violation or other charging document for a violation of an ordinance adopted pursuant to subdivision (a).

(B) Any period of time to correct the violation required by this section or otherwise provided by local ordinance has expired.

(C) The property owner exhausts the administrative review procedures set forth in the local ordinance pursuant to subdivision (a) and the judicial review procedures available under either subdivision (b) or Sections 1094.5 and 1094.6 of the Code of Civil Procedure, or the time to pursue such administrative or judicial review expires.

(2) The ordinance does not require prepayment or advance deposit of the administrative fines or penalties as a condition of pursuing administrative or judicial review. This paragraph does not prohibit imposition or collection of any otherwise-authorized filing or appeal fees.

(3) (A) After the requirements of paragraph (1) are satisfied, the property owner is served with a notice of lien at least 20 days before the recordation of the lien.

Amendment 8

On page 5, delete lines 35-39 and on page 6, delete lines 1-3.

Amendment 9

On page 6, delete line 11 after "facility" and delete lines 12-17, and insert:

but any period of notice set forth in this paragraph or an ordinance adopted hereunder, and any right or duty to do any act or make any response within any period after service, shall be extended five calendar days, upon service by mail, if the place of address and the place of mailing is within the State of California, 10

calendar days if either the place of mailing or the place of address is outside the State of California but within the United States, 12 calendar days if the place of address is the Secretary of State's address confidentiality program (Chapter 3.1 (commencing with Section 6205) of Division 7 of Title 1), and 20 calendar days if either the place of mailing or the place of address is outside the United States

Amendment 10

On page 6, delete lines 18-28.

Amendment 11

On page 6, in line 29, delete "(3)" and insert "(g)"

Amendment 12

On page 6, in lines 29 and 30, delete "paragraph (1)" and insert "subdivision (f)"

Amendment 13

On page 6, between lines 31 and 32, insert "(h) For purposes of subdivision (f), "property owner" includes the holder of any encumbrance on the property."

Amendment 14

On page 6, in line 32, delete "(g)" and insert "(i)"

6. Arguments in support

According to the Rural County Representatives of California:

> Counties and cities are currently authorized to enforce local ordinances through several methods, including imposing administrative fines and penalties that may be collected through ordinary priority real property liens, as established in *City of Santa Paula v. Narula* (2003). However, the existing penalty statutes were primarily designed for routine zoning and building violations, and these processes are not always well suited to address certain serious code violations like large-scale illegal commercial cannabis operations, imminent fire hazards, or dangerously substandard housing conditions. Local governments often struggle to enforce serious violations, including state housing laws, fire safety regulations, and unlicensed cannabis activity, because the current code enforcement mechanisms are insufficient when dealing with persistent bad actors that often have numerous other violations and liens on the property and are consequently undeterred by existing enforcement mechanisms.

To enhance code enforcement mechanism for serious violations, Subdivision (e) of the bill grants local agencies additional tools to collect penalties imposed for certain serious violations, once the administrative review process (including judicial review, if sought) is concluded. Specifically, penalties for these violations could be entered as a money judgment, thereby providing the full range of enforcement mechanisms available for judgment under the Code of Civil Procedure. This model is currently used in the Food and Ag. code for pesticide violations (among other things), and can be effective in cases where existing code enforcement mechanisms may be insufficient (such as slumlords or illicit cannabis operators whose assets are hidden)…

Additionally, Subdivision (f) would simply codify existing caselaw, to provide clarity and avoid unnecessary disputes. Local governments already use *ordinary priority* liens to collect fines and penalties, based on the broad authorization to adopt "procedures that shall govern the…collection" of administrative penalties, as well as their Constitutional police power. This lien authority, while not explicitly mentioned in statute, has been recognized by California caselaw (see, for example, *City of Santa Paula v. Narula* (2003) 114 Cal.App.4th 485).

7. Arguments in opposition

According to ACLU California Action:

The Western Center on Law and Poverty must respectfully oppose AB 632, which would remove existing due process rights for homeowners facing local code enforcement actions. Specifically, AB 632 would remove homeowners' right to judicial review before the placement of an abatement lien on their property and allow local code enforcement to obtain judgments against properties without going in front of a judge. This crucial safeguard ensures homeowners can contest excessive or unjust fines in court before facing severe financial consequences like wage garnishment, property encumbrance, or foreclosure. Because this bill would remove key due process protections, saddle Californians with financial burdens, and increase foreclosures, we must oppose its revisions to the Government Code.

These changes risk incentivizing excessive fines, disproportionately burdening low-income and minority homeowners. Past attempts to remove judicial oversight, including AB 2317 (2010), AB 129 (2011), and SB 1416 (2018), were all vetoed by Governors who recognized the importance of balancing local enforcement with homeowner rights. Real-world abuses like those in Siskiyou and Sonoma Counties demonstrate the dangers of unchecked code enforcement. In one case, a 75-year-old homeowner faced over $155,000 in fines for minor code issues. These fines, often amplified by daily penalties and enforced with AI and

drones, disproportionately impact communities of color and can lead to foreclosure and displacement.

We are at a delicate time in California. Homeowners increasingly face rising insurance rates, more complicated mortgage requirements, and an already-exorbitant housing market. At the same time, local budgets are increasingly strapped for cash, with many localities searching for ways to generate local income. AB 632 could lead to localities seeking income from local property owners via nuisance fines and liens. We should not encourage this practice. For these reasons, the Western Center on Law and Poverty must oppose AB 632.

SUPPORT

California Association of Code Enforcement Officers (co-sponsor)
County of Santa Clara (co-sponsor)
Rural County Representatives of California (co-sponsor)
California State Association of Counties
City of Norwalk
League of California Cities
Urban Counties of California

OPPOSITION

ACLU California Action
Western Center on law and Poverty

RELATED LEGISLATION

Pending legislation: SB 757 (Richardson, 2025) permits a local government to collect fines or penalties related to nuisance abatement through a special assessment or nuisance abatement lien, as specified. SB 757 is pending on the Assembly Floor.

Prior legislation:

SB 820 (Alvarado-Gil, 2023) would have allowed the DCC or a local jurisdiction to seize specified property where unlicensed commercial cannabis activity is being conducted and vehicles used to conduct unlicensed cannabis activity, as specified. SB 820 died in the Assembly Appropriations Committee.

AB 1684 (Maienschein, Ch. 477, Stats. 2023) allowed local governments to immediately impose administrative fines or penalties for all unlicensed commercial cannabis activity in violation of a local ordinance, not just cannabis cultivation activity. This bill is discussed in further detail in Comment 2 of this analysis.

AB 1448 (Wallis, Ch. 843, Stats. 2023) required, in a MAUCRSA civil penalty action brought by a county counsel, city attorney, or city prosecutor, the penalty first be used to reimburse the prosecuting agency for specified costs in bringing the action, with 50% of the remainder, if any, paid to the county or city, as applicable, and the other 50% to be deposited into the General Fund. AB 1448 at one point contained subject matter that was substantially similar to this bill, but it was amended out due to timing constraints.

AB 491 (Wallis, 2023) was substantially similar to this bill. AB 491 died in this Committee without a hearing.

AB 1138 (Blanca Rubio, Ch. 530, Stats. 2021) created a civil enforcement action for aiding and abetting unlicensed cannabis activity, with a civil penalty of up to $30,000 per violation.

SB 2164 (Cooley, Ch. 316, Stats. 2018) added the provisions authorizing a local agency to adopt an ordinance to provide for the immediate imposition of administrative fines or penalties for the violation of building, plumbing, electrical, or other similar structural, health and safety, or zoning requirements if the violation exists as a result of, or to facilitate, the illegal cultivation of cannabis, except as specified. This bill is discussed in further detail in Comment 2 of this analysis.

PRIOR VOTES:

Senate Local Government Committee (Ayes 5, Noes 2)
Assembly Floor (Ayes 57, Noes 7)
Assembly Judiciary Committee (Ayes 9, Noes 0)
Assembly Local Government Committee (Ayes 8, Noes 0)

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