GOVERNOR'S VETO
AB 632 (Hart)
As Enrolled September 15, 2025
2/3 vote

SUMMARY

Allows a local agency, upon the exhaustion of administrative and judicial appeals and specified noticing procedures, to obtain a final judgment and impose liens to enforce administrative fines and penalties for violations of specified cannabis laws, housing laws, and fire hazard laws.

Senate Amendments

1) Clarify that a local agency may obtain judgment for an administrative fine or penalty as specified in the bill only after expiration of the time to seek judicial review or conclusion of judicial review proceedings.

2) Require a local agency, before making a filing for a judgement, to serve a notice of entry of judgment upon all parties named in the final administrative order or judicial decision as specified in this bill.

3) Clarify that violations of State Housing Law to which this bill applies must result in the building being substandard, as specified.

4) Specify the laws, regulations, or local ordinances relating to fire hazards to which this bill applies.

5) Specify the requirements that a local ordinance establishing a procedure to collect administrative fines or penalties by lien must meet, including that:

    a) The ordinance requires that all of the following shall occur before a notice of lien is served:

        i) The property owner is served with a notice of violation or other charging document for a violation of the ordinance, as specified.

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

        iii) The property owner exhausts the administrative review procedures set forth in the local ordinance, and judicial review procedures available under specified provisions of the Code of Civil Procedure, or the time to pursue administrative or judicial review, have expired.

    b) The ordinance does not require prepayment or advance deposit of the administrative fines or penalties as a condition of pursuing administrative or judicial review, as specified.

    c) The ordinance requires the property owner to be served with a notice of lien at least 20 days before the recordation of the lien.

d) Additional noticing procedures are followed, as specified.

6) Make a number of additional technical, conforming and clarifying changes.

Governor's Veto Message
This bill would allow a local agency, upon the exhaustion of administrative and judicial appeals and specified noticing procedures, to obtain a final judgment and impose liens to enforce administrative fines and penalties for violations of specified cannabis laws, housing laws, and fire hazard laws.

I recognize the challenges local governments face in enforcing code violations for illegal cannabis grows, which is why I signed AB 1684 (Maienschein, Chapter 477, Statutes of 2023) to strengthen local penalty and enforcement authority for unlicensed cannabis activity.

However, I am concerned about expanding local authority to place liens on private property. Balancing the due process rights of homeowners with a local government's authority to levy nuisance abatement fines is crucial. I believe existing law strikes the right balance.

COMMENTS

1) *Administrative Fines and Penalties*. A local agency may make any violation of any of its ordinances subject to an administrative fine or penalty. This provision was enacted in 1995 to relieve the courts of some of these cases and offer local governments a faster, easier, and less costly means of pursuing remedies for ordinance violations.

   In order to make an ordinance violation subject to an administrative fine or penalty, the local agency must adopt an ordinance specifying the administrative procedures that govern the imposition, enforcement, collection, and administrative review of the fines or penalties. A person may appeal such fines or penalties in Superior Court. Local agencies must pursue a civil court proceeding to collect fines and penalties that are not secured via the administrative process.

   Current law requires these administrative procedures to grant a person responsible for a continuing violation a reasonable time to remedy the violation before the local agency may impose fines or penalties when the violation pertains to building, plumbing, electrical, or other similar structural and zoning issues that do not create an immediate danger to health or safety.

   When a local agency imposes an administrative fine or penalty, the person must exhaust all available administrative remedies first before taking the matter to superior court. How the administrative appeals process operates varies by local government. Some may have a zoning administrator hear appeals, while others may have a county hearing officer to handle appeals. Appeals can also be made to the governing body of the local agency.

   Within 20 days after service of a final administrative order or decision regarding administrative fines or penalties, a person contesting that final administrative order or decision of the local agency may appeal in Superior Court for a ″de novo″ review of the local agency′s action. Additionally, a 2008 court decision ruled that a person may challenge an administrative fine or penalty through a petition for writ of mandate as an alternative to the

appeal for de novo review (*Martin v. Riverside County Dept. of Code Enforcement* (2008) 166 Cal. App. 4th 1406).

2) *Liens*. Local governments use liens to collect fines and penalties, based on the broad authorization to adopt procedures for collection of penalties in law, as well as their Constitutional police power. This lien authority, while not explicitly authorized in statute, has been the subject of litigation. Courts have generally upheld this authority (see, for example, *City of Santa Paula v. Narula* (2003) 114 Cal.App.4th 485). However, one unpublished (and therefore non-precedential) case states, ″California law does not authorize cities to collect nuisance fines or penalties by attaching a lien or imposing an assessment,″ largely on the basis that several bills to expressly grant such authority have previously been vetoed. (*Mechammil v. City of San Jacinto* (9th Cir. 216) 653 Fed.Appx. 562.) The main difference between these cases is that both Mechammil and the vetoed bills it cited concerned efforts to collect penalties through *superpriority* special assessment liens that are paid before ordinary liens.

3) *Fines and Penalties for Cannabis Cultivation*. In response to illegal cannabis growing operations around the state, the Legislature approved AB 2164 (Cooley), Chapter 316, Statutes of 2018. AB 2164 allowed local agencies, via ordinance, to immediately impose 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. The bill required such an ordinance to provide for a reasonable period of time for the correction or remedy of the violation before imposing 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 rental 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.

   AB 1684 (Maienschein), Chapter 477, Statutes of 2023, further strengthened local penalty and enforcement authority for unlicensed cannabis activity. AB 1684 expanded the ability of local governments to immediately impose fines or penalties to also include other types of unlicensed cannabis activities: manufacturing, processing, distribution, or retail sale. It also granted local agencies the ability to immediately impose the administrative fines and penalties upon the property owner and upon each owner of the occupant business entity engaging in unlicensed commercial cannabis activity, and to hold them jointly and severally liable for the administrative fines and penalties.

   Under AB 1684, local agencies can also refer cannabis enforcement cases to the Attorney General. Finally, AB 1684 capped the immediately-imposed fines and penalties at $1,000 per violation and $10,000 per day, but made it clear larger fines permitted elsewhere in law can still be imposed.

According to the Author
AB 632 is necessary to provide local governments with a more effective way to collect existing penalties. It includes due process protections, ensuring individuals receive notice, can contest fines through administrative review, and have the right to appeal before enforcement actions like liens or judgments take effect. These safeguards ensure fairness while helping local governments address violations in housing, fire safety, and unlicensed cannabis activities.

Arguments in Support
The Rural County Representatives of California, co-sponsor of this bill, writes, ″Currently, counties and cities can enforce local ordinances through various methods, including imposing administrative fines and penalties that can be collected through ordinary priority real property liens. However, the existing penalty statutes were mainly designed for routine zoning and building violations and are not always effective for addressing serious code violations, including large-scale illegal commercial cannabis operations, imminent fire hazards, or dangerously substandard housing conditions. To improve code enforcement for the aforementioned serious violations, Subdivision (e) allows local agencies (once administrative due process is exhausted) to enter penalties as a money judgment, providing the full range of enforcement mechanisms available under the Code of Civil Procedure. This model is currently used in the Food and Agriculture code for pesticide violations and can be effective when existing code enforcement mechanisms are insufficient.

″Additionally, Subdivision (f) would codify existing caselaw to provide clarity and prevent unnecessary disputes, regarding local governments′ use of ordinary priority liens to collect fines and penalties based on their broad authorization to adopt ′procedures that shall govern the…collection′ of administrative penalties, as well as their Constitutional police power. The bill would also codify certain minimum notice requirements before a lien is imposed, aligning with best practices already used by many jurisdictions.

″AB 632 will address this by providing clarity, codifying existing case law, and giving local governments more tools to address serious public health and safety issues effectively.″

Arguments in Opposition
The Western Center on Law and Poverty, opposed to a prior version of this bill, writes, ″AB 632…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.″

FISCAL COMMENTS

None

VOTES

ASM LOCAL GOVERNMENT: 8-0-2
YES: Carrillo, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson
ABS, ABST OR NV: Ta, Hoover

ASM JUDICIARY: 9-0-3
YES: Kalra, Bauer-Kahan, Bryan, Connolly, Harabedian, Pacheco, Papan, Stefani, Zbur
ABS, ABST OR NV: Dixon, Macedo, Sanchez

ASSEMBLY FLOOR: 57-7-15
YES: Addis, Aguiar-Curry, Ahrens, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Soria, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NO: Davies, DeMaio, Dixon, Ellis, Gallagher, Hadwick, Patterson
ABS, ABST OR NV: Alanis, Arambula, Castillo, Chen, Flora, Jeff Gonzalez, Hoover, Lackey, Macedo, Quirk-Silva, Sanchez, Solache, Stefani, Ta, Tangipa

SENATE FLOOR: 28-9-3
YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cortese, Dahle, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Reyes, Richardson, Rubio, Stern, Umberg, Wahab, Wiener
NO: Alvarado-Gil, Choi, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares
ABS, ABST OR NV: Cervantes, Smallwood-Cuevas, Weber Pierson

ASSEMBLY FLOOR: 60-12-8
YES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NO: Castillo, Davies, DeMaio, Dixon, Ellis, Gallagher, Hadwick, Johnson, Macedo, Patterson, Ta, Tangipa
ABS, ABST OR NV: Alanis, Chen, Flora, Jeff Gonzalez, Hoover, Lackey, Celeste Rodriguez, Sanchez

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