

Date of Hearing: June 16, 2026

ASSEMBLY COMMITTEE ON JUDICIARY
Ash Kalra, Chair
SB 1365 (Allen) – As Amended May 18, 2026

SENATE VOTE: 29-9

SUBJECT: UNLAWFUL BUSINESS PRACTICES: PRICE GOUGING

SYNOPSIS

The Cartwright Act is California principal antitrust statute. It generally prohibits price fixing, bid rigging, and other anticompetitive conduct. The Cartwright Act provides for both criminal and civil enforcement, allowing both the Attorney General and county district attorneys to enforce the statute. Enforcement of the Cartwright Act assists consumers and businesses by protecting them from unfair competitive practices and preserving competition in the commercial marketplace. California law also protects its residents from price gouging during emergencies, prohibiting rental housing price increases of more than 10 percent of the previously charged or advertised price, among other things.

This bill makes several changes to California's existing price gouging statute as it relates to rental housing, designed to remove and recast certain exemptions to the statute. Namely, the bill revises the definition of "housing" to eliminate the lease-length exemption; adds protections for monthly rentals that are converted to daily rates; and limits the use of additional costs for repairs beyond normal maintenance to increase rental rates. Additionally, the bill permits city attorneys in a city with a population over 900,000 to enforce the Cartwright Act, so long as certain notice requirements are met.

This bill is sponsored by the Los Angeles City Attorney. It also enjoys the support of the California Federation of Labor Unions, AFL-CIO and Consumer Watchdog. They argue that the bill will protect individuals from exploitative rental increases and anti-competitive practices. The bill is opposed by groups representing realtors, business interests, and rental housing property owners. These opponents argue that expanding enforcement authority to city attorneys could lead to inconsistent enforcement of the Cartwright Act and that the proposed changes to the California's price gouging statute are too broad in scope. Should this bill be approved by this Committee, it will be referred to the Assembly Public Safety Committee.

SUMMARY: Authorizes city attorneys of cities with populations of more than 900,000 to bring actions for violations of the Cartwright Act, and amends existing exemptions to the prohibition against rental housing price gouging during a declared state of emergency. Specifically, **this bill:**

- 1) Authorizes the city attorney of any city with a population in excess of 900,000 to prosecute an action for a violation of the Cartwright Act on behalf of the city or public agency or political subdivision located wholly within the city which the Attorney General is authorized to bring, whenever it appears that the activities giving rise to prosecution or the effects of the activities occur primarily within the city.
- 2) Requires the city attorney to file with the Attorney General and the district attorney of the county at least 30 days prior to the filing of the action, a copy of the proposed complaint

together with a confidential memorandum and report explaining the facts giving rise to the proposed prosecution and supporting the filing of the new complaint.

- 3) Requires the city attorney, prior to entering into any stipulated or consent judgment or other settlement of the action, to file with the Attorney General at least 30 days prior to the execution thereof a copy of the proposed settlement together with a memorandum of explanation of the settlement.
- 4) Allows the Attorney General to waive any time requirements described in 2) and 3).
- 5) Specifies that, in any investigation or action undertaken or brought by a city attorney pursuant to this bill, if the Attorney General deems it necessary and in the public interest, the Attorney General may take full charge of the investigation or prosecution, and the Attorney General shall have all powers granted pursuant to existing law.
- 6) States that in any action prosecuted pursuant to this bill by a city attorney of any city with a population in excess of 900,000, that city attorney may exercise all of the powers conferred on the Attorney General provided that every contract or agreement entered into by the city attorney is first approved by the governing authority of the agency in their city.
- 7) Provides that, in any action in which a city attorney of a city with a population in excess of 900,000 directly represents any political subdivision located within the city, the city attorney will retain out of the proceeds, if any, resulting from the action, an amount equal to the expense incurred by the city attorney in the investigation and prosecution of the action or an amount equal to 10 percent of the total recovery obtained by the city attorney, whichever is greater.
- 8) Provides that, in any action brought pursuant to this bill's provision in which the city with a population in excess of 900,000, through the city attorney, is the class representative of political subdivisions located within the city, the city attorney will retain the proceeds, if any, of any attorney's fees awarded by the court in which the action is pending to the city attorney, resulting from the class representation.
- 9) Requires all moneys received by any court in payment of any fine or civil penalty imposed pursuant to the Cartwright Act to, as soon as practicable after receipt of the fine or penalty, be deposited with the county treasurer of the county in which the court is situated. Amounts deposited must be paid as soon as practicable as follows:
 - a) If the action was initiated and prosecuted by a city attorney of a city with a population in excess of 900,000, then 100 percent will be paid as soon as practicable to the treasurer of the city in which the prosecution is conducted.
 - b) If an action was initiated and prosecuted jointly by the Attorney General and a city attorney of a city with a population in excess of 900,000 or jointly by more than one city attorney of a city with a population in excess of 900,000, those amounts will be paid to the Treasurer and to the treasurer or treasurers of the city or cities participating in the prosecution in a proportion agreed upon by the agencies jointly prosecuting the case and as approved by the court.

- 10) Specifies that a civil penalty of not more than one million dollars (\$1,000,000) will be assessed and recovered in a civil action brought by a city attorney with a population in excess of 900,000.
- 11) Specifies that all those powers granted to the Attorney General as a head of a department are granted to the city attorney of any city having a population in excess of 900,000 when that city reasonably believes that there may have been a violation of the Cartwright Act.
- 12) Eliminates the provision of existing law providing that a rental price increase over 10 percent in the 30 days following an emergency declaration is not unlawful if that person can prove that the increase is directly attributable to additional costs for repairs or additions beyond normal maintenance that were amortized over the rental term that caused the rent to be increased greater than 10 percent.
- 13) Specifies that a rental price increase greater than 10 percent in the 30 days following the proclamation or declaration of a state of emergency is not unlawful if a person can prove either of the following:
 - a) That an increase was contractually agreed to by the tenant prior to the proclamation or declaration.
 - b) That the increase was directly attributable to additional costs for repairs or additions beyond normal maintenance incurred within the year prior to the proclamation or declaration and either of the following is true:
 - i. The housing was rented, advertised for rent, or offered for rent at the time the costs were incurred.
 - ii. That person can prove that within a year before the proclamation or declaration, the intent to offer the housing for rent within six months of the repair or addition already existed.
- 14) Expands the definition of “housing” to include any rental housing regardless of the length of the initial lease term.
- 15) Provides that the rental price of housing advertised, offered, or charged at a daily rate following a declaration or proclamation of emergency, but that was not advertised, offered, or charged at a daily rate in the year prior to the declaration or proclamation of emergency is capped at one-thirtieth of 160% of the fair market rent established by the United States Department of Housing and Urban Development.
- 16) Makes several legislative findings and declarations.

EXISTING LAW:

- 1) Establishes, in federal law, the Sherman Antitrust Act of 1890. (15 U.S.C. Sections 1-7.)
- 2) Establishes the Cartwright Act. (Business and Professions Code Section 16700 *et seq.*)
- 3) Defines a “trust” under the Cartwright Act as a combination of capital, skill, or acts by two or more persons for any of the following purposes:

- a) To create or carry out restrictions in trade or commerce.
- b) To limit or reduce the production, or increase the price of, merchandise or of any commodity.
- c) To prevent competition in manufacturing, making, transportation, sale, or purchase of merchandise, produce, or any commodity.
- d) To fix at any standard or figure, whereby its price to the public or consumer shall be in any manner controlled or established, any article or commodity of merchandise, produce, or commerce intended for sale, barter, use, or consumption in the state.
- e) To make or enter into or execute or carry out any contracts, obligations, or agreements of any kind or description, by which they do all or any combination of the following:
 - i. Bind themselves not to sell, dispose of, or transport any article or any commodity or any article of trade, use, merchandise, commerce, or consumption below a common standard figure, or fixed value.
 - ii. Agree in any manner to keep the price of such article, commodity, or transportation at a fixed or graduated figure.
 - iii. Establish or settle the price of any article, commodity, or transportation between them or themselves and others, so as directly or indirectly to preclude a free and unrestricted competition among themselves, or any purchasers or consumers in the sale or transportation of any such article or commodity.
 - iv. Agree to pool, combine, or directly or indirectly unite any interests that they may have connected with the sale or transportation of any such article or commodity, that its price in any manner might be affected. (Business and Professions Code Section 16720.)
- 4) Makes every trust unlawful, against public policy, and void, except as exempted under the Cartwright Act. (Business and Professions Code Section 16726.)
- 5) Authorizes the Attorney General to bring an action on behalf of the state or any of its political subdivisions or public agencies to recover damages provided under the Cartwright Act, or by any comparable provision of federal law, provided that the Attorney notifies any political subdivision or public agency of his or her intention to bring any such actions on its behalf in writing. Specifies that at any time within 30 days thereafter, such political subdivision or public agency may, by formal resolution of its governing body or as otherwise specifically provided by applicable law, withdraw the authority of the Attorney General to bring the intended action. (Business and Professions Code Section 16750 (c).)
- 6) Specifies that a civil penalty of not more than one million dollars (\$1,000,000) can be assessed and recovered in any civil action brought by the Attorney General or district attorney against any person, corporation, or business entity for each violation of the Cartwright Act. (Business and Professions Code Section 16755.1.)
- 7) Authorizes the Attorney General to file a civil action in the name of the people of the State of California, as *parens patriae* on behalf of natural persons residing in the state, for a violation

of the Cartwright Act, to secure monetary relief in the form of treble damages sustained by those natural persons, interest, costs, and reasonable attorney fees. (Business and Professions Code Section 16760.)

- 8) Authorizes any person who is injured in their business or property by reason of anything forbidden or declared unlawful by the Cartwright Act, to sue in any court having jurisdiction in the county where the defendant resides or is found, or any agent resides or is found, or where service may be obtained, without respect to the amount in controversy, and to recover three times the damages sustained by him or her, interest on his or her actual damages, as specified, and preliminary or permanent injunctive relief when and under the same conditions and principles as injunctive relief is granted by courts generally under the laws of this state and the rules governing these proceedings, and be awarded reasonable attorneys' fee together with the costs of the suit. (Business and Professions Code Section 16750.)
- 9) Establishes the Unfair Competition Law. (Business and Professions Code Section 17200 *et seq.*)
- 10) Specifies that any person who engages, has engaged, or proposes to engage in unfair competition is liable for a civil penalty not to exceed two thousand five hundred dollars (\$2,500) for each violation, which will be assessed and recovered in a civil action brought in the name of the people of the State of California by the Attorney General, by any district attorney, by any county counsel authorized by agreement with the district attorney in actions involving violation of a county ordinance, by any city attorney of a city having a population in excess of 750,000, or by a county counsel of any county within which a city has a population in excess of 750,000, by any city attorney of any city and county, or, with the consent of the district attorney, by a city prosecutor in any city having a full-time city prosecutor, in any court of competent jurisdiction. (Business and Professions Code Section 17206 (a).)
- 11) Prohibits, for a period of 30 days upon the proclamation of a state of emergency by the President of the United States or the Governor or a declaration of a local emergency in any county, city, or county and city, the selling or offering to sell any consumer food items or goods, as specified, including housing, for a price of more than 10 percent greater than the price charged by the seller for those goods immediately prior to the declared emergency. Exempts specified rental price increases directly attributable to additional costs for repairs or additions, as specified, and defines housing for its purposes to be any rental housing with an initial lease term of no longer than one year. (Penal Code Section 396.)

FISCAL EFFECT: As currently in print this bill is keyed fiscal.

COMMENTS: In the wake of the Palisades and Eaton fires, there have been numerous allegations of price gouging and other unfair business practices, that have caused further harm to those who have lost their homes and their community. (Jack Fleming, *Rampant post-ire price gouging went unpunished, report alleges*, LA Times (Feb. 11 2026), available at: <https://www.latimes.com/california/story/2026-02-11/rampant-post-fire-price-gouging-went-unpunished-report-alleges>.) To protect residents from further price gouging and increase enforcement of statutes designed to penalize unfair business practices, the author brings this bill.

Accordingly, the author states:

In January of 2025, Pacific Palisades and Altadena experienced fires that killed 31 people and destroyed thousands of homes. To this day, tens of thousands of displaced residents are still living in temporary housing as they navigate the re-build process.

Existing California law provides people who are affected by a state of emergency protections against price gouging. Rental housing prices are not permitted to increase more than 10 percent above the prices charged immediately prior to the emergency. However, some have attempted to circumvent these protections through longer lease lengths or with rents charged at daily rates.

Additionally, the fires have highlighted a lack of robust enforcement of existing protections against anti-competitive business practices under the Cartwright Act. There is already evidence of these practices impacting fire survivors in the Los Angeles region.

Approximately 40% of fire impacted lots and about two out of every five lots that sell in the Pacific Palisades, Altadena, and Malibu areas have been purchased by real estate developers. Homeowners have reported that investors are making low-ball offers that some desperate fire victims feel forced to accept.

SB 1365 improves enforcement of anti-competitive business practice restrictions to protect vulnerable disaster victims. This bill enhances existing rent gouging protections by closing lease length and day rate loopholes and provides authority to City Attorneys of large cities to enforce the Cartwright Act to protect consumers and prohibit anti-competitive business practices.”

History of the Cartwright Act & public and private enforcement. The Cartwright Act is California’s primary antitrust statute. The law was enacted in 1907 in response to concerns over the growing power of corporate trusts and monopolistic behavior in California’s contemporary industries. (Landry, J., et al., *The Journal of the Antitrust and Unfair Competition Law Section of the State Bar of California, One Hundred Years in the Making: The Cartwright Act in Broad Outline*, Vol. 17, No. 2, Fall 2008.) It broadly prohibits agreements that restrain trade or result in price fixing, bid rigging, output restrictions, or monopolistic behavior. A violation of the Cartwright Act is punishable by a fine of up to six million dollars against a corporation, and up to three years imprisonment or a fine of up to one million dollars for an individual. (Business and Professions Code Section 16755.)

The Cartwright Act allows for both public and private enforcement, and permits recovery of treble damages, injunctive relief, and attorney’s fees. Currently, state law authorizes the California Attorney General to initiate civil actions for violations of the Cartwright Act and to seek an injunction, money damages on behalf of the state and its agencies, or as *parens patriae* on behalf of residents to secure monetary relief. (Business and Professions Code Sections 16750(c), (g), 16754, 16754.5, 16760 16760.)

Existing law also permits county district attorneys to prosecute a violation of the Act on behalf of the county or any city or public agency within the county. (Business and Professions Code Section 16750 (g).) At least 30 days before filing such an action, a district attorney must provide the Attorney General with a copy of the proposed complaint and a confidential memorandum and report, explaining the facts. (*Id.*) Similarly, before entering into any stipulated or consent judgment or other settlement, a district attorney must provide the Attorney General with a copy of the proposed settlement together with a memorandum explaining the settlement at least 30 days before executing the settlement. (*Id.*) The Cartwright Act gives the Attorney General the

authority to waive these requirements and take charge of district attorney's investigation or prosecution should the Attorney General deem it necessary to do so, and in the public interest. (*Id.*)

This bill provides the same enforcement authority to city attorneys of large cities. Specifically, the bill permits city attorneys with populations of more than 900,000 to bring actions under the Cartwright Act. Currently, there are three California cities with populations over 900,000: Los Angeles, San Diego, and San Jose. Like district attorneys, these city attorneys would be required to provide a copy of the complaint and a memorandum to the Attorney General's office, and before settling a copy of the settlement, as well as an explanation for the rationale behind the settlement agreement. Further, the Attorney General would have the authority to take over an investigation or prosecution of a case, if the office deems it necessary to do so, and in the public interest. These requirements, among others, allow for oversight by the Attorney General and are designed to ensure consistency of enforcement across the state.

Some opponents point to California's Unfair Competition Law (UCL) as another means of meeting the goals of the bill. While opponents are correct that the large cities identified in this bill can bring causes of action under the UCL for violations of the Cartwright Act, the UCL is not a one-to-one substitute for the Cartwright Act. (*See* Business and Professions Section 17204.) Under the UCL, the penalties that can be assessed are capped at \$2,500 per violation. (Business and Professions Code Section 17206 (a).) By contrast, the Cartwright Act allows for civil penalties up to \$1,000,000 per violation. (Business and Professions Code Section 16755.1.) In that respect, the Cartwright Act serves as a much stronger deterrent to persons and entities that seek to engage in anticompetitive practices.

California price gouging statutes and the rental market. California's price gouging statute prohibits selling or offering to sell certain goods or services for a price more than 10 percent greater than the price charged immediately prior to a declared state of emergency. (Penal Code Section 396.) A violation of this prohibition on price gouging is punishable as a misdemeanor by up to one year in county jail or a fine of \$10,000, or by both. (*Id.*) However, price gouging is also an unlawful business practice and an act of unfair competition that can be civilly enforced by specified public prosecutors or through a private right of action. (*Id.*)

As it pertains to rental housing, the statute makes it unlawful for any person, business, or other entity to increase, among other things, the rental price advertised, offered or charged for housing to an existing or prospective tenant by more than 10 percent. (*Id.*) However, under existing law, a landlord can raise the rent by more than 10 percent if the increase was agreed upon by the landlord and tenant prior to the declaration of emergency or if they can prove that the increase is directly attributable to higher costs for significant repairs or improvements beyond routine maintenance that accrued over the rental term. (*Id.*)

According to the sponsor, the Los Angeles City Attorney, their office has encountered loopholes when attempting to enforce the price gouging statute that have allowed landlords to increase the price of rental housing beyond the 10 percent cap. First, because the law currently defines housing as "any rental housing with an initial lease term of no longer than one year," some rentals are being listed for longer than 12 months to circumvent the cap on rental increases. To address this concern, the bill eliminates the one-year lease limitation, allowing all rentals regardless of lease term to be subject to the cap on rental price increases.

Second, as mentioned above, landlords can get around the 10 percent price cap if they can prove that the increase is directly attributable to higher costs for significant repairs or improvements beyond routine maintenance that accrued over the rental term. As a result, some landlords have begun construction and retrofitting projects to avoid the cap, and hike up the prices of the rental units far beyond the cap. To disincentivize perverse use of this exemption, this bill specifies that a rental price increase greater than the 10 percent cap is lawful if that increase was directly attributable to additional costs for repairs or additions beyond *normal maintenance* incurred within the year before the declaration of the emergency and either of the following are true: 1) the housing was rented, advertised for rent, or offered for rent at the time the costs were incurred; or 2) that person can prove that within a year before the proclamation or declaration, the intent to offer the housing for rent within six months of the repair or addition already existed.

Finally, existing law provides price gouging protections for short term rentals leased at daily rates at the time of the disaster declaration. For daily rate housing that remains subject to a daily rate following the declaration of a disaster, the rules on rental pricing are the same rules as other units rented or offered for rent within one year prior to the emergency declaration. This typically means the rental price is the actual rental price paid by the tenant or the most recent rental price offered before the proclamation of the state of emergency, subject to some exceptions. However, for daily rate housing that is offered or charged pursuant to a periodic lease agreement after the emergency declaration is subject to the same rules as new rentals, which allows for rental prices at 160 percent of the fair market rent established by the U.S. Department of Housing and Urban Development. To discourage conversions to daily rates post-declaration to circumvent price caps on daily rate housing, the bill specifies that the rental price must be 1/30th of the rental price (i.e., 160 percent of the fair market rent established by HUD, which may be increased by 5 percent if the housing is fully furnished) if the daily rate was advertised, offered, or charged following a declaration, but that was not advertised, offered, or charged at a daily rate in the year prior to the declaration or proclamation of emergency.

Should this bill pass out of this Committee, this bill will be referred to the Assembly Committee on Public Safety, which has jurisdiction over criminal penalties.

ARGUMENTS IN SUPPORT: Sponsor of the bill, the Los Angeles City Attorney's Office, states that this bill aims "to strengthen enforcement against price gouging and antitrust violations, particularly during emergencies, while expanding the authority of city attorneys in large cities to prosecute such cases." Additionally they submit:

Since the January 7, 2025 wildfires, the Public Rights Branch of the Los Angeles City Attorney's Office has done a substantial amount of work in the field of rental housing price gouging. Generally, the state's price gouging law, Penal Code Section 396, prohibits increasing rent by more than 10% above the amount charged shortly before a proclamation or declaration of emergency (subject to a few caveats and exceptions). Through our enforcement work, we encountered some loopholes in PC Section 396 that allowed property owners to increase rental prices far beyond the 10% cap. This bill *closes* those three commonly-encountered *loopholes* by: (1) revising the definition of "housing" to eliminate the lease-length loophole; (2) adding price protection for monthly rentals that are converted to daily rates; and (3) limiting the use of amortized additional costs for repairs beyond normal maintenance to increase rental rates.

The January wildfires have also resulted in real estate investors buying roughly 40% of the land selling in areas impacted by the January 2025 fire disaster. Therefore, this bill provides city attorneys of any city with a population in excess of [900,00] . . . with enforcement authority of the Cartwright Act mirroring the enforcement authority afforded district attorneys in the state as long as existing notification requirements to the Attorney General are met, and as long as parallel notification requirements are made by the city attorneys to their respective district attorneys. This limited expansion of enforcement authority of the Cartwright Act, without any change in scope to the Cartwright Act, enables these . . . city attorneys to protect Californians from anti-competitive business practices.

The California Federation of Labor Unions, AFL-CIO also writes the following in support of the bill:

As highlighted by the devastating 2025 Los Angeles fires, existing price gouging protections have proven insufficient to prevent bad actors from taking advantage of vulnerable renters. Tens of thousands of displaced residents were forced into an already strained housing market, only to encounter exploitative rent increases.

SB 1365 closes three critical loopholes that have weakened enforcement of existing price gouging laws by ensuring protections apply to all rental agreements regardless of length, adding daily rates to long-term rental price protections, and expanding enforcement authority under the Cartwright Act to city attorneys in large jurisdictions.

These reforms are both practical and necessary. In times of crisis, displaced families should not be forced to compete in a predatory marketplace where legal protections are easily circumvented. Housing is a necessity for working families. SB 1365 will help restore fairness to the rental market, deter unlawful profiteering, and provide local officials with the tools needed to enforce the law

ARGUMENTS IN OPPOSITION: The California Chamber of Commerce opposes the bill because it would permanently expand Cartwright Act enforcement authority to city attorneys. Specifically, they state:

First, we disagree that large cities should be given the ability to enforce under the Cartwright Act. Large cities can presently utilize the Unfair Competition Law to attack any conduct that is “unlawful” - which would appear to include the price gouging provisions of the penal code which **SB 1365** would seek to enforce. Therefore, we do not see the necessity of including a permanent expansion of Cartwright Act enforcement authority to all large cities’ city attorneys in response to the specific and temporary concern over housing in the aftermath of the recent LA Fires. To the contrary – the Unfair Competition Law would already allow cities to seek injunctions halting such price gouging and provide restitution to those harmed. In short: we see no reason that **SB 1365**’s goal of addressing rental housing price gouging in a state of emergency requires changing the Cartwright Act.

Second, we are concerned that expanding Cartwright Act enforcement creates risks of inconsistent enforcement. Anti-trust enforcement is intended to address large-scale, economy-wide abuses such as price fixing. Such enforcement necessarily needs to be vested at a level of scale that matches the conduct being addressed, so that enforcement in one city does not differ from enforcement in another. Presently, the Cartwright Act properly addresses this by limiting enforcement to the Attorney General and District Attorneys.

Third, we are concerned that significantly changing enforcement of the Cartwright Act is particularly inappropriate this year, as the California Law Review Commission has recently been considering a considerable re-write (and broadening) of California's anti-trust laws. We believe that with such significant potential changes to the Cartwright Act hanging in the wind, it is the wrong time to expand enforcement to the level of city attorneys.

Additionally, other groups representing realtors, and rental housing property owners, have also expressed opposition to the price-gouging provisions within the bill. For example, the California Rental Housing Association and several affiliated organizations write:

SB 1365 is a fundamental departure from the original intent of Penal Code Section 396. Existing law appropriately targets sudden and opportunistic price increases following an emergency. This bill, however, expands those restrictions too broadly to apply across all rental housing, including long-term leases negotiated well in advance of any emergency. By doing so, the measure shifts from addressing misconduct to imposing sweeping constraints on lawful and preexisting mutual agreements and, accordingly, very likely represents a violation of the Contracts Clause under the U.S. Constitution (Article I, Section 10, Clause 1 prohibiting state governments from passing any law that "impairs the Obligation of Contracts.").

The bill modifies the repair and improvement exemption in ways that, while more specific in some respects, introduce new factual disputes concerning the timing and intent of pre-emergency capital expenditures. A property owner who made substantial improvements in the year before a fire and who is now offering that property for rent to displaced residents must satisfy a multi-part evidentiary standard or potentially face criminal prosecution. The practical question of whether qualifying intent already existed more than six months before a disaster is precisely the kind of subjective, fact-intensive inquiry that creates unpredictable legal exposure for responsible housing providers. Under these circumstances, housing providers will simply choose not to provide available housing to avoid the complex regulatory requirements imposed and legal risk associated with SB 1365.

SB 1365 adds unnecessary complexity to an already highly regulated housing environment. California along with local jurisdictions have imposed extensive tenant protection regimes, including statewide rent caps under AB 1482 and far lower local rent caps, extensive just cause tenant protection rules, and existing emergency anti-price gouging laws. Layering additional restrictions—particularly within a criminal statute—creates compliance challenges and increases the risk of inadvertent violations, and will likely lead to even harming responsible housing providers acting in good faith.

REGISTERED SUPPORT / OPPOSITION:

Support

Los Angeles City Attorney's Office (sponsor)
California Federation of Labor Unions, AFL-CIO
Consumer Watchdog

Opposition

Apartment Association of Greater Los Angeles
Apartment Association of Orange County
Berkeley Property Owner's Association
California Apartment Association
California Association of Realtors
California Business Properties Association
California Chamber of Commerce
California Rental Housing Association
California Taxpayers Association (CALTAX)
East Bay Rental Housing Association
Nor Cal Rental Property Association
North Valley Property Owners Association
North Valley Rental Property Association
Santa Barbara Rental Property Association
Small Property Owners of San Francisco Institute
Southern California Rental Housing Association
Western Manufactured Housing Communities Association

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