

October 4, 2004

TO: Persons interested in housing and community development issues

FROM: Senator Denise Moreno Ducheny, Chair  
Senate Housing and Community Development Committee

RE: 2004 Legislative Summary

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The Legislature completed the second year of the 2003-2004 legislative session on August 27, 2004. Below is a summary of the bills related to housing and community development that were acted on in 2004. Bills noted with an asterisk relate to housing or community development in some fashion but were not referred to the Senate Committee on Housing and Community Development. To obtain the text or committee analysis for any individual bill, please visit <http://www.leginfo.ca.gov>. In addition, you can view the Senate Housing and Community Development Committee's 2003 legislative summary at [http://www.senate.ca.gov/ftp/SEN/COMMITTEE/STANDING/HOUSE/\\_home/](http://www.senate.ca.gov/ftp/SEN/COMMITTEE/STANDING/HOUSE/_home/). If you do not have internet access, please feel free to contact the committee at 916-445-8740.

### **STATE HOUSING PROGRAMS**

**SB 120 (Margett)** Establishes, subject to the availability of funding, the Elderly and Disabled Persons' Revolving Home Improvement Loan Program at HCD to provide interest free loans to elderly and disabled persons for non-major home improvements to assist with daily living activities. *Held on the Senate Appropriations Committee suspense file.*

**SB 1188 (Chesbro)** makes local governments eligible to receive an incentive grant under the Workforce Housing Reward Program for the approval of group quarters for farmworkers. *Held on the Senate Appropriations Committee suspense file.*

**SB 1228 (Perata)** makes various process and administrative changes to the California Natural Disaster Assistance Program, including allowing CALDAP loans to be transferred to another borrower and allowing CALDAP loans to be subordinated to subsequent refinancing of the subject property. *Signed into law. Chapter 569, Statutes of 2004.*

**SB 1595 (Ducheny)** places a bond on the next ballot to fund the California Housing Trust Fund. *Held in the Senate Housing and Community Development Committee.*

**SB 1609 (Ducheny)** provides that CalHome funding is not limited to existing programs. *The bill was gutted and amended on the Assembly Floor.*

**SB 1610 (Ducheny)** allows limited partnerships, in which all of the general partners are nonprofit mutual or public benefit corporations, to be included within the definition of "qualified nonprofit housing sponsor" for purposes of the Mobilehome Park Purchase Fund. *Held on the Assembly Floor.*

**SB 1625 (Hollingsworth)** requires the evaluation of the Interregional Partnership Program to also assess the correlation between the cost of complying with the California Environmental Quality Act and the difficulty of developing an adequate supply of infill housing. *Held in the Senate Housing and Community Development Committee.*

**SB 1702 (Battin)** requires the Tax Credit Allocation Committee to allocate state and federal tax credits to each county in proportion to regional housing need assessment numbers developed for housing element purposes. *Held in the Senate Housing and Community Development Committee.*

**SB 1777 (Ducheny)** requires HCD to update the Statewide Housing Plan every four years, as opposed to every two years; makes a clarifying change to the Regional Housing Needs Assessment fee language in the budget trailer bill; clarifies that 12 or fewer units of employer-provided farmworker housing is an agricultural land use for local zoning purposes; and extends to one year the amount of time the HCD has to issue citations related to mobilehome dealer licensing laws. *Signed into law. Chapter 818, Statutes of 2004.*

**AB 32 (Salinas)** allows entities that construct or rehabilitate farmworker housing with public funds to enter into lease agreements with agricultural employers to provide housing for their employees under specific conditions. *Signed into law. Chapter 866, Statutes of 2004.*

**\*AB 421 (Steinberg)** requires the Insurance Commissioner to conduct a market study relating to property and liability insurance for corporations that provide subsidized low- and moderate-income rental housing. *Signed into law. Chapter 771, Statutes of 2004.*

**AB 672 (Montanez)** provides additional down payment assistance to qualifying borrowers under the California Homebuyer's Down-payment Assistance Program who purchase a new home within an "infill opportunity zone," "transit village development districts," and "transit-oriented specific plan." *Signed into law. Chapter 674, Statutes of 2004.*

**AB 868 (Parra)** allows migrant farm labor centers to open earlier than is currently allowed and requires that existing notices to migrant farmworkers regarding the extended operation of a migrant farm labor center include the beginning date of the extended occupancy period. The bill

also provides that occupants and operators of centers are eligible for specific energy rate or grant programs. *Signed into law. Chapter 671, Statutes of 2004.*

**AB 1462 (Salinas)** allows HCD to waive the requirement that applicants to the Farmworker Housing Grant Program (FWHG) provide matching funds; allows FWHG recipients to request a loan instead of a grant; and allows CalHome funds to be provided as a secured forgivable loan to an individual household to rehabilitate, repair, or replace manufactured housing in a mobilehome park that is not permanently affixed to a foundation. *Signed into law. Chapter 672, Statutes of 2004.*

**\*AB 2266 (Asm. Veterans Affairs)** authorizes the Cal-Vet Farm and Home Loan Program to offer loans for purchase of shares of stock in cooperative housing corporations. *Signed into law. Chapter 834, Statutes of 2004*

**\*AB 2649 (Salinas)** excludes from the definition of employee a person defined as an owner-builder who is participating in a mutual self-help housing program sponsored by a nonprofit corporation. *Signed into law. Chapter 83, Statutes of 2004.*

**\*AB 2836 (Maddox)** revises upward the definition of "low and moderate income households" for purposes of housing elements and the Building Equity and Growth in Neighborhoods Program. *Held in the Assembly Housing and Community Development Committee.*

**AB 2838 (Salinas)** allows CalHFA to continue offering downpayment assistance of up to six percent to low-income first-time homebuyers who have received Neighborworks counseling and are purchasing a residence in a community revitalization area. The bill also requires school districts to provide written notice of surplus properties to public entities and non-profit corporations, including non-profit housing developers, who request such notice in writing. *Signed into law. Chapter 683, Statutes of 2004.*

**AB 3022 (Asm. Housing Cmte.)** allows non-profit general partnerships to apply for the Mobilehome Park Resident Ownership Program (MPROP); increases the amount of financing allowed to low-income households under MPROP; moves provisions requiring tenant relocation assistance related to code enforcement activities; and extends the sunset on Santa Cruz County's authority to increase ratios for redevelopment homeownership programs. *Signed into law. Chapter 473, Statutes of 2004.*

## **HOUSING PRESERVATION**

**SB 1328 (Torlakson)** expands the types of assisted projects that are subject to existing requirements for owners to provide notice of any termination of affordability restrictions and applies sale restrictions to all developments within five years of potential conversion. *Signed into law. Chapter 110, Statutes of 2004.*

## LAND USE

**SB 492 (Ducheny)** extends the sunset date for the pilot program allowing communities in San Diego County to self-certify their housing elements by one year, to June 30, 2010. *Signed into law. Chapter 387, Statutes of 2004.*

**SB 558 (Ducheny)** requires the land use element of a city or county general plan to include by reference any existing inventory of current and planned infrastructure capacity relevant to the territory covered by the plan. *Held on the Assembly Appropriations Committee suspense file.*

**SB 744 (Dunn)** establishes a state Housing Accountability Committee and allows developers of affordable housing to appeal certain local land use decisions that result in denial of a project or conditions that render the project financially infeasible. *Held in the Assembly Local Government Committee.*

**\*SB 898 (Burton)** permits a community college district, or an eligible nonprofit corporation, to replace existing dwelling units displaced by school construction. *Signed into law. Chapter 495, Statute of 2004.*

**\*SB 1102 (Committee on Budget)**, among other things, clarifies and narrows the requirements of the housing element mandate to reduce General Fund obligations; explicitly authorizes Councils of Governments to charge fees to reimburse their costs of completing the regional housing needs assessment; allows HCD to spend \$1.4 million of farmworker housing bond funds to repair Office of Migrant Services (OMS) centers; and prohibits rents at OMS centers from exceeding 30% of the average farmworker household income without specific legislative authorization. *Signed into law. Chapter 227, Statutes of 2004. [Note: The provision relating to OMS rent increases was chaptered out by AB 868.]*

**\*SB 1263 (Torlakson)** requires a local government to approve a development project that is consistent with certain specific plans approved unless the agency finds that approval would result in a specific, significant, adverse effect upon the public health or safety that cannot feasibly be mitigated or avoided. *Held in the Senate Local Government Committee.*

**SB 1592 (Torlakson)** requires each city and each county to adopt or amend an infill ordinance or a specific plan for infill development that identifies potential infill sites, specifies appropriate zoning to encourage infill development on vacant and underutilized parcels, and requires the ordinance or specific plan to provide at least five incentives for infill housing as well as an affordable housing strategy. *Held in the Assembly Local Government Committee.*

**SB 1609 (Dunn)** closes loopholes in the Anti-NIMBY Law. *Failed passage in the Assembly Local Government Committee.*

**SB 1611 (Ducheny)** clarifies that 12 or fewer units of employer-provided farmworker housing is an agricultural land use for local zoning purposes. *The bill was gutted and amended on the Assembly Floor. The original contents of this bill were placed in SB 1777.*

**SB 1818 (Hollingsworth)** amends density bonus law to create a sliding scale of density bonuses, increase the number of incentives for certain developments, and create a bonus for developers who donate land for affordable housing. *Signed into law. Chapter 928, Statutes of 2004.*

**\*AB 389 (Montañez)** enacts the California Land Reuse and Revitalization Act of 2004, which provides until January 1, 2010 that an innocent landowner, a bona fide purchaser, or a contiguous property owner qualifies for immunity from liability for response costs or damage claims for contamination cleanup at the property if the innocent purchaser, bona fide purchaser, or contiguous property owner meets specified conditions. *Signed into law. Chapter 705, Statutes of 2004.*

**AB 1192 (Dutra)** requires that a local government is solely responsible for compliance with the existing requirement to identify adequate sites to ensure no net loss in residential unit capacity, except when the project applicant requests the downzoning in the initial application. *Signed into law. Chapter 10, Statutes of 2004.*

**AB 1426 (Steinberg)** creates a \$1 million setaside of funds from the Workforce Housing Reward Program to be made available as grants for jurisdictions within the greater Sacramento region that adopt and achieve a specified affordable housing production standard. *Vetoed by the Governor.*

**\*AB 1903 (Maddox)** requires local planning agencies, with respect to religious institutions, to use standards that are no less favorable than the standards it uses for actions that affect nonreligious institutions and assemblies. *Held in the Senate Judiciary Committee.*

**\*AB 1970 (Harman)** exempts Seal Beach from housing element law. *Held in the Assembly Local Government Committee.*

**AB 2158 (Lowenthal)** enacts consensus-based changes to the regional housing needs allocation process as proposed by the Housing Element Work Group. *Signed into law. Chapter 696, Statutes of 2004.*

**\*AB 2175 (Canciamilla)** requires local governments, if certain conditions are met, to allow condo conversions. *Failed passage in the Assembly Housing and Community Development Committee.*

**AB 2348 (Mullin)** makes numerous changes to the provisions of housing element law pertaining to land inventory, adequate sites, and permitted use; strengthens Anti-Nimby law; and caps parking requirements for density bonus developments, based on the work of the Housing Element Work Group. *Signed into law. Chapter 724, Statutes of 2004.*

**AB 2702 (Steinberg)** limits local governments' ability to deny or place restrictions on the development of second unit housing. *Vetoed by the Governor.*

**\*AB 2922 (Laird)** corrects a statutory cross-reference in the California Environmental Quality Act and allows a mitigated negative declaration to be used in lieu of a supplemental

environmental impact report for a supplemental project included in a master EIR in certain instances. *Signed into law. Chapter 684, Statutes of 2004.*

**\*AB 2980 (Salinas)** establishes an alternative production-based, self-certification process for the housing elements of cities and counties. *Held on the Assembly Appropriations Committee suspense file.*

## **BUILDING STANDARDS AND CODE ENFORCEMENT**

**\*SB 1508 (Ducheny)** prohibits the making of a loan secured by a deed of trust or mortgage on non-owner-occupied residential real property if a notice of pendency of action has been recorded against the property by the local code enforcement agency, with certain exceptions. *Vetoed by the Governor.*

**SB 1634 (Alarcon)** makes a number of revisions to state law relating to residential building code enforcement. *Failed passage in the Assembly Housing and Community Development Committee.*

**SB 1815 (Johnson)** provides that if a local agency issuing building permits fails to perform an inspection within 60 days after receiving notice that the permitted work was completed, the permittee is entitled to a refund of permit fees. The bill also requires the local agency to disclose on permit documents that the permittee may be entitled to reimbursement. *Signed into law. Chapter 144, Statutes of 2004.*

**SB 1827 (Torlakson)** requires HCD to report on whether to require the adoption of building standards for car elevators, parking lifts, or both. *Held in the Senate Housing and Community Development Committee.*

**SB 1898 (Burton)** requires that excess flow valves, in addition to meeting the general requirement listed in current statute must meet additional criteria. *Held in the Senate Housing and Community Development Committee.*

**SB 1652 (Murray)** establishes a new program to fund solar energy systems for new residential construction and mandates that specified percentages of new homes include solar energy systems. *Failed passage in the Assembly Appropriations Committee.*

**SB 1805 (Murray)** requires a homeowners association to approve a solar energy system if the system otherwise meets specific requirements for certification or safety and performance standards. *Held in the Senate Housing and Community Development Committee.*

**\*AB 2241 (Campbell)** Requires the Building Standards Commission to instead include a licensed general building contractor, a local building official, and a physically disabled person. *Failed passage in the Assembly Business and Professions Committee.*

**AB 2400 (Keene)** requires local building officials to record a methamphetamine laboratory notice of lis pendens against a property that has been used as a meth lab or for storage of

precursor chemicals and to remove the list of chemicals when cleanup has been completed. The bill also requires the Department of Health Services to develop appropriate forms and cleanup standards. *Held on the Senate Floor.*

**AB 2533 (Salinas)** authorizes civil penalties and a right of private action against owners of unreinforced masonry buildings that have not been retrofitted and fail to comply with existing seismic safety warning notice requirements. *Signed into law. Chapter 659, Statutes of 2004.*

**\*AB 2536 (Lieber)** requires HCD to develop and propose building standards for the installation of grab bars in the tubs or showers of the bathrooms of guestrooms in hotels. *Vetoed by the Governor.*

**AB 2638 (Cogdill)** requires that written rules and regulations adopted to interpret the California Building Code shall be made available to the public, upon request. *Signed into law. Chapter 642, Statutes of 2004.*

**\*AB 2924 (Wiggins)** establishes the Low-income Housing Development Revolving Loan Program to subsidize the financing gap for distributed solar energy systems in low-income housing units and requires the Energy Commission to transfer \$45,000,000 annually from the Renewable Resource Trust Fund. *Held in the Senate Energy, Utilities and Communications Committee.*

**AB 3032 (Yee)** alters the language of the warning sign required for unreinforced masonry buildings, clarifies that retrofit properties are exempt from the sign requirement, and allows local governments to permit signs on retrofit properties saying the property has been retrofitted to local standards. *Signed into law. Chapter 308, Statutes of 2004.*

**AB 3033 (Yee)** Prohibits local jurisdictions, until January 1, 2009, from imposing additional building or site conditions when an owner of an unreinforced masonry building seeks to retrofit the building to local standards. *Signed into law. Chapter 663, Statutes of 2004.*

## **COMMON INTEREST DEVELOPMENTS**

**\*SB 1277 (Ackerman)**, among other things, prohibits a mortgage consultant from entering into any agreement within 65 days of a foreclosure sale to charge a homeowner for help accessing surplus sale proceeds. *Signed into law. Chapter 177, Statutes of 2004.*

**\*SB 1581 (Battin)** requires that elections within a common interest development be held by secret ballot and prohibits a person from counting votes in an election in which he or she is a candidate. *Held in the Assembly Judiciary Committee.*

**\*SB 1682 (Ducheny)** prohibits a homeowner association from using foreclosure to collect delinquent assessments less than \$2500 and protects a homeowner's equity when a foreclosure is used. *Held on the Assembly floor.*

**AB 224 (Kehoe)** prohibits homeowner associations from requiring a homeowner to install or repair a roof in violation of existing Health and Safety Code provisions relating to very high fire hazard severity zones. *Signed into law. Chapter 318, Statutes of 2004.*

**AB 1836 (Harman)** enacts recommendations by the California Law Revision Commission revising the requirements and process for alternative dispute resolution used by homeowner associations and homeowners. *Signed into law. Chapter 754, Statutes of 2004.*

**AB 2376 (Bates)** establishes standards for architectural review decisions made by homeowner associations. *Signed into law. Chapter 346, Statutes of 2004.*

**\*AB 2598 (Steinberg)** prohibits a homeowners association from using foreclosure to collect delinquent assessments less than \$2500 and protects a homeowner's equity when a foreclosure is used. *Vetoed by the Governor.*

**\*AB 2610 (Strickland)** amends the definition of an "emergency situation" by which a court may order a homeowners association to make a special assessment and provides that a community association may dissolve and establish a new organization without carrying the same financial liabilities as the original organization. *Held in the Assembly Judiciary Committee.*

**AB 2718 (Laird)** requires homeowner associations to provide members with an Assessment and Reserve Funding Disclosure Summary statement of current and future assessments. *Signed into law. Chapter 766, Statutes of 2004.*

## **REDEVELOPMENT**

**\*SB 1096 (Committee on Budget)**, among other things, provides for a total of \$250 million of annual payments from redevelopment agencies to ERAF in the 2004-05 and 2005-06 fiscal years. *Signed into law. Chapter 211, Statutes of 2004.*

**\*SB 1404 (Soto)** enacts the Multifamily Improvement District Law to provide until January 1, 2012, for the establishment of multifamily improvement districts within a city or county to levy assessments on residential rental properties for the purpose of financing certain improvements and promoting certain activities. *Signed into law. Chapter 526, Statutes of 2004.*

**SB 1428 (Torlakson)** allows the Contra Costa County Redevelopment Agency to raise the percentage of income a homebuyer may spend for ownership housing to be considered affordable to 45%. *Held in the Senate Housing and Community Development Committee.*

**\*SB 1489 (Ducheny)** requires a redevelopment agency to notify its legislative body of an audit or investigation conducted by the HCD when redevelopment officials present annual reports to their legislative bodies. *Held in the Assembly Housing and Community Development Committee.*

**\*SB 1756 (Battin)** declares as surplus all residential and retail rental property owned by the Capitol Area Development Authority and authorizes the Director of General Services to sell it to any public or private party. *Held in the Senate Governmental Organization Committee.*

**AB 269 (Mullin)** allows any redevelopment agency within San Mateo County to participate in a joint powers authority for the purpose of pooling low- and moderate-income housing funds for affordable housing, subject to certain conditions. *Signed into law. Chapter 869, Statutes of 2004.*

**\*AB 723 (Mathews)** allows cities and counties to create infrastructure financing districts within "jobs-housing opportunity zones" designated by the Inter-Regional Partnership Pilot Project. *Held on the Senate Floor.*

**\*AB 2115 (Committee on Budget)** allows redevelopment agencies to borrow funds from the California Statewide Communities Development Authority to make the required ERAF payments in May 2005 and 2006 and then repay those loans over a period of years with future revenues. The bill also clarifies that the ERAF payments made in both years will be calculated based on the "most recent published edition" of the Controller's Annual Report. *Signed into law. Chapter 610, Statutes of 2004.*

**\*AB 2264 (Chavez)** transfers control of City of Industry redevelopment housing funds back to the city from LA County. *Held in the Assembly Housing and Community Development Committee.*

**\*AB 2515 (Runner)** allows redevelopment agencies adjacent to military bases to defer deposits to the housing setaside for five years. *Held in the Assembly Housing and Community Development Committee.*

## **ENTERPRISE ZONES AND COMMUNITY DEVELOPMENT**

**\*SB 1097 (Committee on Budget)**, among other things, authorizes HCD until July 1, 2006 to charge a fee not to exceed \$10 to cover administrative costs of the enterprise zone program. *Signed into law. Chapter 225, Statutes of 2004.*

**SB 1156 (Alarcon)** declares microenterprise development as important to California's economy as a job creation and community development strategy, codifies the definition of microenterprises as a business of five or fewer employees consistent with federal statute, and encourages localities to access microenterprise development. *Signed into law. Chapter 87, Statutes of 2004.*

**SB 1179 (Ducheny)** allows enterprise zones designated in 1990 or later to seek five year extensions, similar to pre-1990 zones. *Held on the Senate Appropriations Committee suspense file.*

**SB 1823 (Hollingsworth)** changes all references in the Enterprise Zone statute from "agency" to "department" to reflect the transfer of the program to the Department of Housing and Community Development. *Signed into law. Chapter 145, Statutes of 2004.*

**\*SB 1876 (Alpert)** phases out the enterprise zone program and other tax benefits in order to create a California-version of the federal Earned Income Tax Credit. *Held on the Senate Appropriations Committee suspense file.*

**\*AB 1843 (Maze)** requires HCD to designate an additional Manufacturing Enhancement Area and expands the criteria under which a city applying to be an MEA can be selected by HCD. *Held on the Assembly Appropriations Committee suspense file.*

**\*AB 2227 (Garcia)** extends most of the tax incentives currently available to enterprise zones to Manufacturing Enhancement Areas that have successfully completed their fifth-year audit. *Held on the Assembly Appropriations Committee suspense file.*

**AB 2398 (Maze)** places the responsibility for administering California's targeted tax area (TTA) program with HCD; allows a TTA to expand by up to 15% subject to approval by HCD; and requests the Tulare County Economic Development Corporation to report to the Legislature on or before January 1, 2008, regarding the impact of TTA expansion. *Signed into law. Chapter 423, Statutes of 2004.*

**\*AB 2463 (Runner)** allows taxpayers who do business in more than one enterprise zone to utilize certain tax credits they earn based on their activities in one zone against the tax liability they incur based on their activities in another EZ. *Held on the Assembly Revenue and Taxation Committee suspense file.*

**AB 2926 (Nakano)** allows an employer seeking a hiring tax credit within an enterprise zone, targeted tax area, or LAMBRA to obtain a voucher from a vouchering coordinator designated by the local jurisdiction that administers the respective zone. *Held in the Senate Housing and Community Development Committee.*

## **MOBILEHOMES**

**\*SB 740 (Kuel)** provides resident organizations that have fulfilled certain requirements with a right of first refusal to purchase a mobilehome park if the owner decides to sell or receives an offer from a third party to buy the park. *Failed passage in the Assembly Housing and Community Development Committee.*

**SB 1090 (Dunn)** requires mobilehomes dealers to disclose the full sale price and all commissions and payments. *Signed into law. Chapter 567, Statutes of 2004.*

**SB 1146 (Dunn)** allows management of a mobilehome park to implement changes in park rules and regulations mandated by law following written notice of at least 60 days, without consulting

with the homeowners. *The bill was gutted and amended on the Assembly Floor. The original contents of this bill were inserted into SB 1176.*

**SB 1163 (Dunn)** requires the Public Utilities Commission to accept and investigate complaints made by sub-metered mobilehome park or apartment complex customers alleging violations of master-meter responsibilities, and makes changes to the utility statements provided by the management of a mobilehome park to residents. *Signed into law. Chapter 728, Statutes of 2004.*

**SB 1176 (Dunn)** reduces the time allowed to correct specified health and safety code violations of the Mobilehome Park Maintenance Program and allows management of a mobilehome park to implement changes in park rules and regulations mandated by law following written notice of at least 60 days, without consulting with the homeowners. *Signed into law. Chapter 622, Statutes of 2004.*

**SB 1778 (Ducheny)** gives HCD one year, as opposed to six months, to issue citations for violations of manufactured housing dealer licensing laws currently subject to citation. *This bill was gutted and amended on the Assembly Floor. The original contents of this bill were inserted into SB 1777.*

**AB 162 (Cohn)** clarifies that funds received from park owners for regulation of mobilehome and special occupancy parks are to be deposited into the Mobilehome Parks and Special Occupancy Parks Revolving Fund. *Signed into law. Chapter 56, Statutes of 2004.*

**AB 1572 (Leiber)** makes a number of changes to the Manufactured Home Recovery Fund program relating to eligible claimants, recoverable amounts, and claim procedures. *Signed into law. Chapter 236, Statutes of 2004.*

**\*AB 1964 (Leslie)** permits the owners of a special occupancy park to evict a guest if the guest refuses or fails to depart by checkout time. *Signed into law. Chapter 530, Statutes of 2004.*

**\*AB 2023 (Nakano)** defines the term “substantial annoyance” for which a mobilehome park tenancy may be terminated. *Held in the Senate Judiciary Committee.*

**AB 2581 (Lieber)** requires a mobilehome park owner to submit a conversion impact report when their permit to operate has been suspended by HCD or other responsible local enforcement agency. *Signed into law. Chapter 680, Statutes of 2004.*

## **LANDLORD TENANT**

**\*SB 115 (Torlakson)** provides that a landlord may not demand or require cash as the exclusive form of payment of rent or deposit of security. *Signed into law. Chapter 76, Statutes of 2004.*

**\*SB 1145 (Burton)** repeals the sunset date of various landlord-tenant provisions that were enacted within the past few years, including the 60-day notice for rent increases of more than

10% and the prohibitions on source-of-income discrimination. *Signed into law. Chapter 568 Statutes of 2004.*

**\*AB 21 (Liu)** prohibits CalTrans from increasing rents on occupied residential units in the I-710 corridor and places a moratorium on any without-cause evictions until January 1, 2005. The bill also requires CalTrans to establish a task force to develop recommendations on rental rates on department-owned property in the 710 Freeway Corridor. *Held in the Senate Transportation Committee.*

**\*AB 2523 (Frommer)** extends the Los Angeles pilot program that allows city prosecutors or city attorneys to file unlawful detainer actions to evict drug dealers and users from a rental property, while allowing a law-abiding tenant to remain under a "partial eviction;" expands the program to Oakland and San Diego; and revises reporting requirements relative to the program. *Signed into law. Chapter 304, Statutes of 2004.*

**\*AB 2582 (Lieber)** provides prospective tenants with notification of the presence and location of hazardous substances in or on the rental property. *Held on the Assembly Floor.*

**\*AB 2583 (Lieber)** protects tenants from harassing and abusive practices and provides that a tenant's refusal to provide personal, private or financial information to a landlord does not constitute a breach of a lease or rental agreement. *Failed passage on the Assembly Floor.*

**\*AB 2726 (Laird)** protects cities and counties with mobilehome rent control ordinances from the costs of defending against baseless litigation challenging the ordinances. *Held in the Assembly Judiciary Committee.*

**\*AB 2867 (Nunez)** prohibits an owner of a residential hotel from requiring a tenant to move, or to check out and reregister, before 30 days has expired if a purpose is to have that occupant maintain transient occupancy status. *Signed into law. Chapter 950, Statutes of 2004.*

## **PROPERTY TAXES**

**\*SB 451 (Ducheny)** clarifies that on-base military housing built under the Military Housing Privatization Initiative is not an independent use of federal base land subject to a possessory interest tax. *Signed into law. Chapter 853, Statutes of 2004.*

**\*SB 1096 (Budget Committee)**, among other things, eliminates VLF backfill payments and reduces ERAF payments from local governments in an identical amount in the base year, thereby increasing property tax revenues for local governments. *Signed into law. Chapter 211, Statutes of 2004.*

**\*SB 1147 (Hollingsworth)** provides income tax relief for those who suffered losses as a result of the 2003 fires or earthquake and allows owners whose homes were destroyed by the fire to retain their homeowners property tax exemptions. *Signed into law. Chapter 792, Statutes of 2004.*

**\*SB 1212 (Ducheny)** alters the swap of vehicle license fee backfill revenue for property tax revenue by allocating the growth in the additional property taxes on a per capita basis among cities within each county. *Held on the Assembly Appropriations Committee suspense file.*

**\*SB 1596 (Ducheny)** allows a local government or nonprofit organization to request the tax collector to bring any residential real property to the next scheduled public auction if the taxes on the residential real property have been delinquent for at least three years. This bill also enumerates information that must be included in the request, and requires the tax collector to include the real property in the next scheduled public auction upon receiving the request. *Signed into law. Chapter 923, Statutes of 2004.*

**\*AB 2144 (Ridely-Thomas)** requires the county tax collector to attempt to sell tax-defaulted nonresidential commercial property 3 years or more after the property becomes tax defaulted, unless a county opts out. *Signed into law. Chapter 944, Statutes of 2004.*

**\*AB 2357 (Plescica)** increases the homeowners' exemption for senior citizens. *Held on the Assembly Revenue and Taxation Committee suspense file.*

**\*AB 2846 (Salinas)** prohibits county assessors from including in the income approach for property tax assessments the value of federal or state low-income housing credits. *Signed into law. Chapter 786, Statutes of 2004*