

CALIFORNIA LEGISLATIVE SUMMARY

October 2021



In 2021, the California State Legislature introduced over 2,700 legislative measures. The commercial real estate industry tracked 571 of these bills.

Of the 1,204 bills that reached the Governor's Desk he signed 1,038 and our industry was engaged on a total of 145 of these bills; below is a summary of the more notable bills that made it to the Governor's desk and some that were stalled out in the process but may come back.

SIGNED BY THE GOVERNOR

AB 33 (Ting-D) Energy storage systems and electric vehicle charging infrastructure.

Position: Removed Opposition after Amendments.

Summary: Originally directed all electric utilities to establish a rate structure for “all-electric” buildings and prohibited gas lines in newly constructed buildings. Bill was significantly changed.

AB 61 (Gabriel-D) Business pandemic relief.

Position: SUPPORT

Summary: Extends regulatory relief for restaurants/bars and properties regarding outdoor dining.

AB 80 (Burke-D) Coronavirus Aid, Relief, and Economic Security Act.

Position: SUPPORT

Summary: Brings California into partial conformity with federal tax treatment of deductible business expenses paid for using PPP funds and will allow businesses to deduct up to \$150K in expenses from state income taxes.

AB 110 (Petrie-Norris-D) Fraudulent claims for unemployment compensation benefits.

Position: SUPPORT

Summary: Reforms unemployment claims to reduce fraud.

AB 331 (Jones-Sawyer-D) Organized retail theft.

Position: SUPPORT

Summary: Helps in the battle against organized retail crime which includes acting in concert with one or more individuals to steal merchandise with the intent to sell, exchange or return and/or act in concert with other individuals to receive, purchase or possess merchandise.

AB 332 (ES&TM) Hazardous waste: treated wood waste: management standards.

Position: SUPPORT

Summary: Provides an option to manage and dispose of treated wood waste through alternative standards if certain criteria are met, a process that had been in place for decades before sunseting in 2020, in order to avoid the unnecessary and cost prohibitive management of these materials.

AB 480 (Carrillo-D) Hazardous materials.

Position: NEUTRAL

Summary: Until recent amendments this bill had the potential to shut down industrial/manufacturing operations for spilling a single drop of covered materials. However, we recently removed our opposition from this bill as our amendments were taken to defining “emergency response” as a means to guide and differentiate releases relative to quantity and the need for activated emergency response personnel from outside a facility.

[AB 537](#) (Quirk-D) Communications: wireless telecommunications and broadband facilities.

Position: SUPPORT

Summary: Facilitates the installation of faster broadband networks in California.

[AB 701](#) (Gonzalez, Lorena) Warehouse distribution centers.

Position: OPPOSE.

Summary: This bill will kill jobs and increase expenses in warehouses and logistic centers by micromanaging how companies set performance standards. It will create more private right of action based on vague standards, increase PAGA litigation, and is based on fundamental misunderstandings of performance metrics.

[AB 721](#) (Bloom-D) Covenants and restrictions: affordable housing.

Position: NEUTRAL

Summary: Nullifies certain covenants and restrictions for 100% Affordable residential housing projects.

Our industry will follow up on this bill next year as it has the potential for helping certain projects move forward.

[AB 819](#) (Levine-D) California Environmental Quality Act: electronic filing and posting.

Position: SUPPORT

Summary: Codifies existing best practices by requiring lead agencies to post and submit electronically certain California Environmental Quality Act (CEQA) notice and other environmental review.

[AB 832](#) (Chiu-D) COVID-19 relief: tenancy: federal rental assistance.

Position: NEUTRAL

Summary: Residential rent/eviction extension. Extends the current eviction moratorium (SB 91) through September 30, 2021 – ensures California quickly uses the more than \$5 billion in federal rental assistance to help the state’s tenants and small landlords and protect vulnerable households from eviction. Provisions include increasing reimbursement to 100 percent for both rent that is past due and prospective payments for both tenants and property owners.

[AB 970](#) (McCarty-D) Planning and zoning: electric vehicle charging stations: permit application.

Position: NEUTRAL

Summary: Our industry watched this bill closely as it had the potential of impacting electric vehicle charging station permits which will potentially be mandated in the upcoming code adoption.

[AB 1084](#) (Low-D) Gender neutral retail departments.

Position: NEUTRAL

Summary: Bill originally mandated retailers to maintain gender neutral sections. Subsequent amendments and agreements allowed the retail industry to remove opposition.

[AB 1124](#) (Friedman-D) Solar energy systems.

Position: SUPPORT

Summary: Clarifies that solar permit fee caps apply to systems atop carports, patio covers and parking lot shade structures, and multifamily housing projects.

[SB 1](#) (Atkins-D) Coastal resources: sea level rise.

Position: OPPOSE

Summary: Gives the California Coastal Commission authority over sea level rise which could be used to advance the “managed retreat” policy, which shutting down future coastal development including desperately needed housing in coastal areas where there is already an affordability crisis.

SB 8 (Skinner-D) Housing Crisis Act of 2019.

Position: SUPPORT

Summary: Promotes more affordable housing development by reducing permitting delays and unexpected fees levied during the housing development permitting process.

SB 9 (Atkins-D) Housing development: approvals.

Position: SUPPORT

Summary: Attempts to help alleviate the housing crisis by allowing, in certain circumstances, more than one residence on property currently zoned for single family.

SB 10 (Wiener-D) Planning and zoning: housing development: density.

Position: SUPPORT

Summary: Creates more infill housing while providing substantial local control to land use development by allowing property owners to convert single-family homes into multiple units or divide the properties and build up to two residential units on each lot, all without triggering CEQA, so long as all units are consistent with all local land use laws.

SB 63 (Stern-D) Fire prevention: vegetation management: fire hazard severity zones.

Position: SUPPORT

Summary: Support this bill as it would require, among other things, for Cal Fire to complete maps for moderate and high fire severity zones and would require HCD and the SFM to expand application of the WUI standards to homes in high fire severity zones (already required in Very High Fire Severity Zones)

SB 87 (Caballero-D) Small Business COVID-19 Relief Grant Program.

Position: SUPPORT

Summary: Establishes a \$2.6 billion grant program that offers struggling small businesses a lifeline while they struggle through pandemic-induced shutdowns and regulations.

SB 93 (Budget and Fiscal Review) Rehiring and retention: displaced workers: COVID-19 pandemic.

Position: OPPOSE

Summary: Worker retention bill-Requires rehiring of certain workers.

SB 94 (Skinner-D) Alcoholic beverage control: barbering and cosmetology: license renewal fee waiver.

Position: SUPPORT

Summary: Relieves bars, restaurants, and those working in barbering and cosmetology from having to pay license renewal fees for two years.

SB 95 (Skinner-D) Employment: COVID-19: supplemental paid sick leave.

Position: OPPOSE

Summary: Paid sick leave mandate. This bill imposes a significant cost onto small employers, who the State has already acknowledged are suffering due to this pandemic. This paid sick leave mandate would essentially negate any financial relief small employers may receive through the proposed COVID grant programs.

SB 290 (Skinner-D) Density Bonus Law: moderate-income families: local government constraints.

Position: SUPPORT

Summary: Removes four barriers that limit density bonus applicability in California by allowing low-income student housing projects to receive up to one incentive, aligning the density bonus approval requirements with those in the Housing Accountability Act, expanding the definition of for-sale projects beyond common interest developments, and adding a parking waiver for housing developments within one-half mile of transit that include 40% moderate-income units.

[SB 336](#) (Ochoa Bogh-R) Public health: COVID-19.

Position: SUPPORT

Summary: Requires publication of local public health orders and creation of an email list for stakeholders to ensure they are kept apprised of any changes.

[SB 339](#) (Wiener-D) Vehicles: road usage charge pilot program.

Position: SUPPORT

Summary: Extends the Road User Charge Advisory Committee and allows the Transportation Agency to conduct pilot studies to evaluate potential replacements for gas tax funding for roads and infrastructure.

[SB 389](#) (Dodd-D) Alcoholic beverages: retail on-sale license: off-sale privileges.

Position: SUPPORT

Summary: Allows restaurants to sell prepackaged alcohol for off-site consumption.

[SB 390](#) (Laird-D) Employment Development Department: recession plan.

Position: SUPPORT

Summary: Requires Employment Development Department (EDD) to develop a comprehensive plan to prepare for future economic recessions

[SB 433](#) (Allen-D) California Coastal Act of 1976: enforcement: penalties.

Position: OPPOSE

Summary: Extends the California Coastal Commission's existing authority to impose administrative civil penalties to all violations of the Coastal Act.

[SB 478](#) (Wiener-D) Planning and Zoning Law: housing development projects.

Position: SUPPORT

Summary: This bill prohibits a local government from imposing certain floor area ratio (FAR) standards on housing projects of 3-10 units.

[SB 606](#) (Gonzalez-D) Workplace safety: enterprise-wide and egregious violations.

Position: OPPOSE

Summary: Creates two new categories of California Division of Occupational Safety and Health (Cal/OSHA) violations: "egregious" and "enterprise-wide." The new categories of violations carry significant monetary penalties against employers.

[SB 727](#) (Leyva-D) Labor-related liabilities: direct contractor.

Position: OPPOSE

Summary: This bill expands existing direct contractor liability to include liquidated damages and penalties in circumstances where the direct contractor fails to meet payroll monitoring and corrective action requirements.

VETOED BY THE GOVERNOR

[AB 416](#) (Kalra-D) Deforestation-Free Procurement Act: public works projects: wood and wood products.

Position: OPPOSE

Summary: This bill would greatly increase the cost of wood products for construction.

[AB 616](#) (Stone-D) Labor relations: labor representative elections: representation ballot card election.

Position: OPPOSE

Summary: This bill would set a bad precedent limiting an employee's ability to independently and privately vote for unionization in the workplace by essentially eliminating a secret ballot election. It unfairly limits an employer's ability to challenge cards submitted and further limits an employee's ability to decertify a union, by forcing them to go through the ballot election process instead of submission of representation cards.

[AB 1074](#) (Gonzalez, Lorena-D) Employment: displaced workers.

Position: OPPOSE

Summary: Removes the ability of private employers to choose who they hire by requiring businesses to offer positions to laid-off employees based on a preference system enshrined in state law.

[SB 660](#) (Newman-D) Initiative, referendum, and recall petitions: compensation for signatures.

Position: OPPOSE

Summary: Would make it more difficult for business groups to qualify an initiative by disallowing the use of signature gathering companies.

DEAD/TWO YEAR BILLS (MAY BE BACK!)

[AB 65](#) (Low-D) California Universal Basic Income Program: Personal Income Tax.

Position: OPPOSE

Summary: Imposes a 1 percent surcharge on income greater than \$2 million to finance a California universal basic income program that would give eligible Californians \$1,000 a month.

[AB 71](#) (Rivas, Luz-D) Homelessness funding: Bring California Home Act.

Position: OPPOSE

Summary: Massive tax increase on individuals and companies to fund homeless programs. Bill has been superseded by the Governor's budget using some of the excess state tax revenue for these purposes.

[AB 113](#) (Boerner Horvath-D) Income taxes: credits: electric vehicles.

Position: SUPPORT

Summary: Tax credit for installing EV Chargers.

[AB 255](#) (Muratsuchi-D) COVID-19 Emergency Small Business Eviction Relief Act.

Position: OPPOSE

Summary: Would negatively impact commercial leases and undermine legitimate contracts and create unnecessary lawsuits. Bill has been superseded by more than a dozen state and federal programs that directly fund small businesses to assist with COVID shutdown economic hardship.

[AB 310](#) (Lee-D) Wealth tax.

Position: OPPOSE

Summary: Imposes a first-in-the-nation wealth tax by removing the prohibition on the taxation of personal property in the California Constitution and imposing a wealth tax of 1 percent on net household wealth of more than \$50 million and 1.5 percent on household wealth of more than \$1 billion.

[AB 377](#) (Rivas, Robert-D) Water quality: impaired waters.

Position: OPPOSE

Summary: A virtually impossible water runoff standard that would require property owners to process and clean rainwater coming off of roofs to be "drinkable."

[AB 385](#) (Flora-R) Labor Code Private Attorneys General Act of 2004.

Position: SUPPORT

Summary: Reforms PAGA which is a major cause of employer lawsuits.

[AB 743](#) (Ramos-D) Insurance: business interruption: coverage for COVID-19.

Position: SUPPORT

Summary: Provides that with respect to coverage for business interruption due to an order of civil authority (local/state/federal government), a rebuttable presumption applies that COVID-19 was present on property located and caused physical loss or damage to that property which was the direct cause of the insured's business interruption and losses.

[AB 854](#) (Lee-D) Residential real property: withdrawal of accommodations.

Position: OPPOSE

Summary: This bill made changes to longstanding CA laws that would have made it difficult for some owners of apartments to sell or convert their properties to other uses.

[AB 879](#) (Rubio, Blanca-D) California Tax Amnesty and Revenue Recovery Act.

Position: SUPPORT

Summary: Enacts the California Tax Amnesty and Revenue Recovery Act, which requires the Franchise Tax Board and California Department of Tax and Fee Administration to conduct a tax amnesty program from February 1, 2022, through March 31, 2022, for all tax years prior to January 1, 2021. Increases revenue without tax increases while providing relief to struggling businesses and individuals.

[AB 889](#) (Gipson-D) Business entities: landlords: reporting requirements.

Position: OPPOSE

Summary: Require a limited liability company or corporation that owns rental property to report the identity of the “beneficial owner” of that entity to the Secretary of State. Bill is expensive and unneeded as the state already requires any owner of residential property or a party signing a rental agreement on behalf of the owner to disclose the name, telephone number, and street address of the person who is authorized to manage the property.

[AB 904](#) (Grayson-D) Income taxes: credits: manufacturers’ machinery and equipment.

Position: SUPPORT

Summary: This bill will enact tax credits for manufacturing machinery and equipment in order to try to save and keep manufacturing companies in California.

[AB 1017](#) (Quirk-Silva-D) Public restrooms: Right to Restrooms Act of 2021.

Position: MON/OPP

Summary: Requires local governments to do an inventory of public restrooms that are available to the homeless. May lead to policies that require buildings open to the public allow non-patron use of facilities.

[AB 1329](#) (Nazarian-D) Building codes: earthquakes: functional recovery standard.

Position: OPPOSE

Summary: Requires adoption of stricter seismic regulations. Says if the state does not adopt regulations by Jan 2026, all new construction is considered Risk Category IV.

[AB 1395](#) (Muratsuchi-D) The California Climate Crisis Act.

Position: OPPOSE

Summary: Mandates expensive regulations by directing the CA Air Resources Board to establish a new climate reduction target of 90% below 1990 levels by 2045 with no clear understanding of how such a huge reduction can happen or the impact on the economy.

[AB 1401](#) (Friedman-D) Residential and commercial development: parking requirements.

Position: SUPPORT

Summary: In some cases, would relieve strict parking ratios on some projects.

[AB 1001](#) (Garcia, Cristina-D) Air pollution and mitigation measures for air and water quality impacts.

Position: OPPOSE

Summary: Requires facilities applying for a permit to prepare duplicative environmental impact report, as well as requires Air Districts to pass new rules that would apply to a greatly expanded list of facilities.

[AB 1146](#) (Cervantes-D) California Small Business Rent Relief Act.

Position: SUPPORT

Summary: This bill would have provided assistance for small businesses impacted by the pandemic to help meet lease and rent obligations.

[AB 1192](#) (Kalra-D) Employment information: worker metrics.

Position: OPPOSE

Summary: Would require employers to report data regarding wages, benefits, scheduling, and safety for their entire United States workforce. The data would be published on the Labor and Workforce Development Agency's website by employer name. This snapshot of data regarding employees across the entire country will unfairly subject employers to harassment by activists.

[AB 1199](#) (Gipson-D) Homes for Families and Corporate Monopoly Transparency Excise Tax.

Position: OPPOSE

Summary: Increases the cost of housing in the state of California by imposing an excise tax on certain property owners for the "privilege of renting or leasing" space in the state.

[AB 1253](#) (Santiago-D) Personal income taxes: additional tax.

Position: OPPOSE

Summary: Imposes a wealth tax on individuals and corporations by creating three new personal income tax surcharges on certain incomes.

[AB 1295](#) (Muratsuchi-D) Residential development agreements: very high fire risk areas.

Position: OPPOSE

Summary: Concerns that this bill encroached on local zoning and land use laws and potentially would reduce much needed housing in the state.

[AB 1371](#) (Friedman-D) Recycling: plastic: packaging and carryout bags.

Position: OPPOSE

Summary: Imposed unrealistic requirements on retailers.

[AB 1400](#) (Kalra-D) Guaranteed Health Care for All.

Position: OPPOSE

Summary: This bill would have created an entirely new health care system in the state, which drew concerns from many angles regarding disruption of services, expense, and losing federal funding.

[AB 1547](#) (Reyes-D) Air pollution: warehouse facilities.

Position: OPPOSE

Summary: A bill that targeted warehouse facilities under the auspices of air pollution. The provisions of the bill would make it almost impossible to site new warehouses and make operations for existing facilities more difficult. This is one of several bills that targeted the warehousing, goods movement, and retail sectors of the state.

[SB 6](#) (Caballero-D) Local planning: housing: commercial zones.

Position: SUPPORT IN CONCEPT

Summary: This bill seeks to make it easier to rezone certain commercial properties for mixed-used or housing projects. We support the concept and have worked with the author to ask for changes that could bring us in to official support, but there is language that would require certain labor agreements that we feel will reduce the effectiveness of the program and set a bad precedent.

[SB 12](#) (McGuire-D) Local government: planning and zoning: wildfires.

Position: OPPOSE

Summary: Would ban building in most of the state. Bill ignores the reality that there is no perfect place to build in California as there are natural disaster in all areas.

SB 30 (Cortese-D) Building decarbonization.

Position: OPPOSE

Summary: Building decarbonization bill. Prohibits the design and construction of state buildings to have natural gas hookups. Prohibits state agencies from providing financial or other support for construction projects which are connected to the gas grid. Directs the California Energy Commission to set a zero-emission deadline for new building construction by 2025.

SB 31 (Cortese-D) Building decarbonization.

Position: OPPOSE

Summary: Authorizes use of EPIC funds for decarbonization of new/existing buildings. Normally, we would strongly support this approach, except this bill also requires prevailing wage for any project getting such financial assistance, which would increase the costs of many projects to the point that small and medium size businesses would not pursue.

SB 32 (Cortese-D) Energy: general plan: building decarbonization requirements.

Position: OPPOSE

Summary: Building decarbonization mandate. Requires cities and counties to incorporate into their general plan elements to decarbonize newly constructed residential and non-residential buildings, a function we believe is better done at the state level through a stakeholder process.

SB 55 (Stern-D) Very high fire hazard severity zone: development prohibition.

Position: OPPOSE

Summary: Although well intended, this bill would basically cease new home and commercial building construction in most of the state.

SB 67 (Becker-D) Clean energy: California 24/7 Clean Energy Standard Program.

Position: OPPOSE

Summary: This bill seeks to alter the Renewable Portfolio Standard to create accelerated goals.

SB 104 (McGuire-D) Elective tax: partnership: "S" corporation: credit.

Position: SUPPORT

Summary: A "work-around" to the federal state and local tax (SALT) limitation. This new section of law would provide a tax credit for five years from January 1, 2021, through December 31, 2025. The credit amount would be 94.9% of the qualified amount. The credit would have a 3-year carryforward for qualified entities.

SB 260 (Wiener-D) Climate Corporate Accountability Act.

Position: OPPOSE

Summary: Seeks to create a tracking, reporting, and mandatory goal setting scheme for climate emissions in California. Although the bill is limited to large companies, it will have an impact throughout the economy.

SB 261 (Allen-D) Regional transportation plans: sustainable communities strategies.

Position: OPPOSE

Summary: Compels the California Air Resources Board (CARB) to set future (2045 and 2050) greenhouse gas (GHG) emissions reduction targets AND vehicle miles travelled (VMT) reduction targets for automobiles and light duty trucks. Addition of these new targets will subject already adopted Transportation Plans and sustainable communities' strategies to future uncertainty, amendment, critique, legal challenge and costly new environmental review.

SB 324 (Limón-D) Unsolicited commercial mail advertisements.

Position: OPPOSE

Summary: The bill would make communication with geographic areas through the U.S. Mail virtually impossible. Such communications are used for some types of real estate notifications.

SB 345 (Becker-D) Energy programs and projects: nonenergy benefits.

Position: OPPOSE

Summary: Requires that the California Public Utility Commission (CPUC) develop a common definition of “nonenergy benefits.” Prioritization of nonenergy benefits over other cost-effectiveness factors may result in increased costs that burden those very customers sought to be benefited by this bill.

SB 449 (Stern-D) Climate-related financial risk.

Position: OPPOSE

Summary: Targeted large corporations with burdensome reporting requirement on climate change activities. Would have put California further out of conformance with other states and risked pushing more companies to move out of state.

SB 467 (Wiener-D) Oil and gas: hydraulic fracturing.

Position: OPPOSE

Summary: This bill would have made energy in California more expensive and gutted a major industry that provides jobs and is a huge part of the economy, especially in areas like the Central Valley.

SB 499 (Leyva-D) General plan: land use element: uses adversely impacting health outcomes.

Position: OPPOSE

Summary: May negatively impact warehousing, manufacturing, retail and goods movement sectors. Requires local land use element for general plans be changed in a way that may impact on the ability to recruit/retain/operate manufacturing, warehouses, and logistics centers.

SB 687 (Hueso-D) Emergency response: trauma kits.

Position: OPPOSE

Summary: Mandates trauma kits be installed in all new buildings that currently require an AED be installed. Does not account for cost or "Good Samaritan" liability protections for property owners/managers. Requires property managers educate tenants about traumatic emergency medical treatments that we believe should be provided by medical or first responder groups.

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