

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

SB 522 (Wahab)
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Fiscal: No
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ID

SUBJECT

Housing: tenant protections

DIGEST

This bill excludes, from the exemption to California’s just-cause eviction protections for housing issued a certificate of occupancy within the last 15 years, housing that is built to replace a housing unit substantially damaged or destroyed by a disaster, as specified.

EXECUTIVE SUMMARY

In early January 2025, extremely dry conditions and high winds in Los Angeles resulted in two of the worst wildfires in state history: the Palisades and Eaton fires. The fires burned 37,469 acres and damaged or destroyed almost 18,000 structures, and resulted in 29 fatalities. In addition, just under 13,000 households were displaced by the Palisades and Eaton fires, exacerbating Los Angeles’ ongoing housing and homelessness crises. For most residential tenants, California law currently guarantees that they can only be evicted if the landlord has just cause as defined in law. Just cause can include at-fault just cause, such as when a tenant fails to pay rent or engages in criminal activity on the property, or no-fault just cause, such as when a landlord is removing the property from the rental market or the owner or a family member plans to live in the unit for at least 12 months. Exempt from no-fault just-cause eviction protections is housing issued a certificate of occupancy within the last 15 years. SB 522 aims to ensure that just-cause protections that previously applied to housing substantially damaged or destroyed by a disaster will carry over to housing built to replace the damaged or destroyed housing. SB 522 is sponsored by the Los Angeles City Attorney, and is supported by the National Association of Social Workers, California Chapter, Transform, Santa Clara Housing Advocates, and the Alliance of Californians for Community Empowerment (ACCE). It is opposed by the California Chamber of Commerce, the Western Manufactured Housing Communities Associations, and a handful of other business, real estate, and building industry groups. Should the bill pass this Committee it will then be heard in the Senate Local Government Committee.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes generally the relations between and responsibilities of landlords and tenants in residential leases (leasing of real property). (Civ. Code §§ 1940 et seq.)
- 2) Establishes the Tenant Protection Act of 2019, which prohibits landlords of certain properties, until January 1, 2030, from evicting a residential tenant who has resided in the unit for 12 months or more, unless the landlord has at-fault or no-fault just cause.
 - a) Defines “at-fault” just cause to mean a tenant’s:
 - i. default in the payment of rent;
 - ii. breach of a material term of the lease;
 - iii. maintaining or permitting a nuisance on the premises;
 - iv. committing waste on the premises;
 - v. refusal to execute a written extension or renewal of a lease for a tenancy in a mobilehome, as prescribed;
 - vi. criminal activity on the residential property;
 - vii. assigning or subletting the premises in violation of the lease;
 - viii. refusal to allow the owner to enter the property as authorized;
 - ix. using the premises for an unlawful purpose;
 - x. failure to vacate when the tenant is an employee, agent, or licensee, and the tenant is terminated as an employee, agent, or licensee; and
 - xi. a tenant’s failure to deliver possession of the property after providing the owner written notice of the tenant’s intent to terminate the lease.
 - b) Defines “no-fault” just cause to mean:
 - i. when the owner or owner’s spouse, domestic partner, children, grandchildren, parents, or grandparents intend to occupy the property for at least 12 months as their primary residence, as specified;
 - ii. a withdrawal of the property from the rental market, as specified;
 - iii. when the owner must evict the tenant to comply with a local ordinance or an order of a government agency or court, as prescribed; or
 - iv. when the owner intends to demolish or substantially remodel the property, as specified. (Civ. Code § 1946.2)
- 3) Specifies that the just-cause eviction requirements described in (1) and (2), above, do not apply to the following:
 - a) a transient and tourist hotel occupancy, as defined;

- b) housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, or an adult residential facility;
 - c) dormitories owned and operated by an institution of higher education or a K-12 school;
 - d) housing accommodations in which the tenant shares a bathroom or kitchen with the owner who maintains their principal residence at the property;
 - e) single-family owner-occupied residences;
 - f) a property containing two separate dwelling units within a single structure, in which the owner occupies one of the units at the owner's principal place of residence at the beginning of the tenancy, as specified;
 - g) housing that has been issued a certificate of occupancy within the last 15 years, unless the housing is a mobilehome;
 - h) residential real property that is alienable separate from the title to any other dwelling unit when the owner is not a corporation, management of a mobilehome park, or other business entity, as specified; and
 - i) housing that is restricted as affordable housing by deed, agreement with a government agency, or other recorded document, as defined. (Civ. Code § 1946.2(e).)
- 4) Specifies that the just-cause provisions described in (2) and (3), above, do not apply to residential real property subject to a local ordinance requiring just cause for evictions, either when the ordinance was adopted on or before September 1, 2019, or when the ordinance is more protective than the state's just-cause eviction provisions. (Civ. Code § 1946.2(i).)
- 5) Specifies that, if an owner evicts a tenant for no-fault just cause, the owner must either assist the tenant with relocation by providing a direct payment equal to one month's rent, or waive payment of the last month's rent. (Civ. Code § 1946.2(d).)
- 6) Specifies that, before an owner may issue a notice of termination for a just cause that is curable, the owner must first give the tenant notice of the violation with an opportunity for the tenant to cure the violation, as prescribed. (Civ. Code § 1946.2(c).)
- 7) Specifies that a landlord who attempts to evict a tenant in violation of the just-cause provisions described in (2) through (8), above, is liable to the tenant for actual damages, reasonable attorney's fees and costs at the court's discretion, and for three times actual damages when the owner acted willfully or with oppression, fraud, or malice. Specifies that the Attorney General, or a city attorney or county counsel of the jurisdiction in which the rental unit is located, may seek injunctive relief. Additionally specifies that an owner's failure to comply with the just-cause provisions renders the written termination notice void. (Civ. Code § 1946.2(g)-(h).)

- 8) Specifies that the just-cause provisions described in (2) through (7), above, are repealed on January 1, 2030. (Civ. Code § 1946.2(n).)
- 9) Provides that, if the residential tenant has resided in the dwelling for less than a year, the landlord must provide notice of termination at least 30 days prior to the termination, and that the landlord must provide notice of termination at least 60 days prior to the termination if the tenant has resided in the residential property for a year or more, except as provided. Provides that a tenant must provide notice of their intention to terminate their tenancy for a periodic tenancy at least as long as the term of the periodic tenancy. If the tenant has received a notice of termination from the owner, the tenant may provide a notice of termination for a period at least as long as the term of a periodic tenancy, if such termination occurs before the owner's date of termination. (Civ. Code § 1946.1(b)-(d).)
- 10) Provides that a tenant has committed unlawful detainer when they continue in possession of the property without the landlord's permission after:
 - a) the tenant remains in possession of the premises after the expiration of the term of the tenancy without permission of the landlord or otherwise not permitted by law;
 - b) the tenant's nonpayment of rent and service of a 3-day notice to pay or quit, stating the amount that is due;
 - c) the tenant has breached a covenant of the lease or failed to perform other conditions under the lease, and after service of a 3-day notice requiring performance of such covenants or conditions;
 - d) the tenant has breached a covenant of the lease prohibiting subletting, assignment, or waste; has committed or permitted a nuisance on the premises; or used the premises for an unlawful purpose; and
 - e) the tenant gives written notice of the tenant's intention to terminate the tenancy, but fails to deliver possession of the premises to the landlord at the specified time. (Code of Civ. Proc. § 1161.)
- 11) Requires a tenant defendant in an unlawful detainer action to respond to a notice of summons within ten days, excluding weekends and court holidays, of being served with the notice. Specifies that, if service is completed by mail or the Secretary of State's address confidentiality program, the defendant must file within fifteen days. (Code of Civ. Proc. § 1167.)
- 12) Defines "disaster," for the purposes of the California Disaster Assistance Act, as meaning a fire, flood, storm, tidal wave, earthquake, terrorism, epidemic, or other similar public calamity that the Governor determines presents a threat to public safety. (Government Code § 8680.3.)

This bill specifies that, for the exception to the just-cause tenant protections described above for housing issued a certificate of occupancy within the last 15 years, housing built to replace a previous housing unit is not included in that exception if:

- 1) the previous unit was substantially damaged or destroyed by a disaster, as defined by Government Code section 8680.3;
- 2) the previous unit was issued a certificate of occupancy before the unit was substantially damaged or destroyed; and
- 3) the previous unit was subject to the just-cause provisions.

COMMENTS

1. Author's statement

According to the author:

Protecting tenants from unjust evictions is one of the most basic anti-displacement and anti-homelessness actions we can take. The Tenant Protection Act established these provisions for units with a certificate of occupancy date older than 15 years from the current date. The loss of multi-family housing units in the Palisades and Eaton fires forces us to reconsider the efficacy of the 15 years provision. As replacement rental housing units are rebuilt after these and any future disasters, we must ensure the previously enacted protections carry over. Without extending these protections, our homelessness and housing crises will only get worse.

2. The Palisades and Altadena wildfires and climate change

In early January 2025, extremely dry conditions and high winds in Los Angeles resulted in two of the worst wildfires in state history. The Palisades fire, which started on January 7th, burned a total of 23,448 acres and damaged or destroyed almost 8,000 structures in the Pacific Palisades and Topanga State Park area of west Los Angeles.¹ That same day, other fires also broke out in the greater Los Angeles area: the Eaton and Hughes fires. The Eaton fire consumed 14,021 acres and damaged or destroyed more than 10,000 structures, including significant portions of the city of Altadena.² About half of all properties in both cities were destroyed, and both fires tragically took the lives of 29 civilians and injured a dozen firefighters. All told, the January wildfires in Los Angeles were some of the most destructive wildfires in state history.

Beyond the significant human toll, the fires also have had a financial significant toll on residents and communities where they burned and throughout Southern California. Real estate losses have been estimated to be as high as \$30 billion, and just under 13,000

¹ CalFire, "Palisades Fire," (3/27/2025) <https://www.fire.ca.gov/incidents/2025/1/7/palisades-fire>.

² CalFire, "Eaton Fire," (3/04/2025) <https://www.fire.ca.gov/incidents/2025/1/7/eaton-fire>.

households were displaced by the Palisades and Eaton fires.³ An estimated 9,592 single family homes and condominiums, 678 apartment units, 2,210 duplex and bungalow courts, and 373 mobilehomes were either heavily damaged or destroyed. Additionally, records show that about 770 rent-controlled units were destroyed in the Pacific Palisades.

All of this significant destruction displaced thousands of homeowners and tenants alike, so much so that rents and occupancy rates throughout the greater Los Angeles area spiked after the fires. Reports of landlords engaging in unlawful price gouging of tenants, prospective tenants, and short-term rentals abounded.⁴ The displacement of so many individuals and families caused a significant strain on Los Angeles and the surrounding area's already strained and insufficient housing supply. Many displaced residents are struggling to find adequate temporary shelter, a reality that is exacerbating Los Angeles' ongoing housing and homelessness crisis.

In light of this, local and state government have passed various ordinances and rules to try to help Californians displaced by the fires and support tenants in surrounding areas dealing with added economic strain or increased rents. Governor Newsom declared a state of emergency, put into place protections against price gouging, and issued an executive order prohibiting landlords in Los Angeles from evicting tenants for violating their leases by providing shelter in their unit for residents displaced by the fires. The governor also issued executive orders aimed at promoting and streamlining the construction of temporary shelters and the rebuilding of structures destroyed by the fires. At the city and county level, the Los Angeles County Board of Supervisors passed an eviction moratorium that prohibits landlords from evicting certain low-income tenants for unpaid rent until July 31, 2025, when the tenants lived in their units before the fires and lost income due to the wildfire.⁵ In addition, the City of Los Angeles passed an ordinance prohibiting evictions for one year due to tenants housing unauthorized persons and pets displaced by the wildfires in their units.⁶

³ Doug Smith and Sandhya Kambhampati, "Real Estate losses from fires may top \$30 billion, from old mobile homes to \$23-million mansions," Los Angeles Times (Feb. 21, 2025)

<https://www.latimes.com/california/story/2025-02-21/real-estate-losses-from-palisades-and-eaton-fires-top-30-billion#:~:text=Los%20Angeles%20Housing%20Department%20records,the%20city's%20rent%20stabilization%20ordinance>.

⁴ Dawn Chmielewski, "Los Angeles homeowners face price gouging after wildfires," Reuters (Jan. 17, 2025) <https://www.reuters.com/world/us/displaced-los-angeles-homeowners-face-price-gouging-after-wildfires-2025-01-17/>.

⁵ Los Angeles Board of Supervisors, Resolution of the County of Los Angeles Board of Supervisors Protecting Qualifying Income Eligible Tenants Directly Financially Impacted by the January 2025 Windstorm and Critical Wildfire Events (Feb. 25, 2025).

⁶ Los Angeles Mun. Code § 51.57 (Ord. No. 188486).

3. Just Cause eviction protections under the California Tenant Protection Act

In 2019, the Legislature passed the California Tenant Protection Act (TPA) of 2019 (Chiu, Ch. 597, Stats. 2019) (TPA). The TPA was enacted in response to reports of tenants experiencing significant rent hikes and housing instability due to the state's housing crisis. Among other provisions, the TPA placed limitations on when a landlord may evict a tenant who has lived in their unit for at least 12 months. Prior to the TPA, a landlord could evict a tenant for any reason, or for no reason at all. Under the TPA, a landlord may only evict such a tenant for one of the reasons that fall under either at-fault just cause or no-fault just cause. (Civ. Code § 1946.2.) At-fault just cause includes reasons such as non-payment of rent, a breach of a material term of the lease, creating a nuisance on the property, criminal activity, subletting the unit in violation of the lease, and failing to return the unit to the landlord's possession after terminating the lease. (Civ. Code § 1946.2(b)(1).) No-fault just cause includes instances where the landlord or their family members intend to occupy the unit, where the unit is being withdrawn from the rental market, or where the unit is being demolished or substantially remodeled. (Civ. Code § 1946.2(b)(2).) When a landlord evicts a tenant for no-fault just cause, the tenant is entitled to relocation assistance from the landlord or a waiver of the final month's rent. (Civ. Code § 1946.2(d).) SB 567 (Durazo, Ch. 290, Stats. 2023) made a series of revisions to the existing statewide protections against eviction without just cause and provided enforcement mechanisms for the violation of statewide restrictions on residential rent increases and statewide protections against no-fault evictions.

The TPA's just-cause provisions include various exemptions that mean it does not apply to every tenant in California. Just-cause protections do not apply to certain transient or tourist hotels, housing accommodations in a hospital or certain care facilities, single-family residences in which the owner occupies some part of the residence, deed-restricted rent-controlled housing, and housing that was built within the last 15 years. (Civ. Code § 1946.2(e).)

4. SB 522 closes a loophole to ensure that tenants can still be covered by the just-cause eviction protections when their housing was built to replace covered housing damaged or destroyed by a natural disaster

In light of the significant amount of housing that was destroyed by the Palisades and Eaton wildfires, SB 522 proposes to narrow the exception in the TPA's just-cause provisions for housing built within the last 15 years. It specifies that this exception does not apply to housing built within the last 15 years when that housing was built to replace housing that was substantially damaged or destroyed by a disaster, was issued a certificate of occupancy before it was substantially damaged or destroyed, and was previously subject to the just-cause protections. SB 522's provisions apply to housing damaged or destroyed by fire, flood, storm, tidal wave, earthquake, terrorism, epidemic, or another similar calamity.

The rationale for this change is that housing built to replace housing destroyed by wildfires should maintain the same just-cause protections for its tenants that tenants of the destroyed building enjoyed. Without such a clarification, landlords would be able to escape the TPA's just-cause eviction protections due to a disaster if they must rebuild the housing. In such a scenario, if it were not for the disaster, the tenants of the landlord's building would still enjoy the protections of the TPA's just cause protections. To be clear, SB 522 is not mandating that landlords who rebuild after a disaster cannot evict their tenants - when a leased unit is destroyed, the tenancy ends for the tenant, and under the TPA, landlords can evict tenants to complete substantial remodels to the property - and it is not saying that landlords must accept their previous tenants back. It also does not mandate the rent that landlords may charge. It simply extends the just-cause eviction protections to the tenants of a building that was recently built to replace housing substantially damaged or destroyed by a disaster. Such a policy would provide greater tenant protections and security to tenants in the aftermath of a wildfire or similar disaster, and would close a loophole through which tenants would lose just-cause protections that they would otherwise enjoy except for the disaster that destroyed the previously-protected housing.

Opponents to SB 522 may argue that it discourages landlords from rebuilding housing after a disaster. However, housing destroyed by a disaster typically receives insurance and disaster relief funding to assist with rebuilding the destroyed building. Moreover, there are a variety of ways in which the government can encourage and support property owners to rebuild after a disaster; in fact, in the case of the Los Angeles wildfires, Governor Newsom already has taken various steps to ease and streamline rebuilding. Moreover, considering that just-cause protections do not prohibit a landlord from charging market rate rents or setting the rent for new tenants at the level the market will bear, landlords would still have ample opportunity to make a return on their investments and steady income. Because SB 522 does not provide a similar disaster exception to the exception for recent builds in the TPA's rent cap, landlords subject to SB 522's provisions would be able to increase rents on their tenants outside of the TPA's protections. Additionally, just-cause protections are not a prohibition on evicting tenants, but rather outline the permissible reasons for evicting a tenant. The purpose of just-cause protections are to prevent frivolous evictions, not to prevent evictions all-together. SB 522 simply provides these protections for tenants whose building would otherwise have been covered, but for a disaster. As is currently the case, these just-cause protections would not apply until the tenant has resided in their unit for at least year. Thus, while concern may be raised regarding SB 522's effect on efforts to rebuild after disasters like the Los Angeles wildfires, such a concern seems unlikely to bear fruit. On the other hand, tenants in housing built to replace housing destroyed by a disaster would enjoy the added security and stability that just-cause eviction protections provide.

5. Arguments in support

According to the Los Angeles City Attorney, who is the sponsor of this bill:

As you know, the Tenant Protection Act of 2019 (TPA) prohibits, until January 1, 2030, an owner of residential real property from terminating the tenancy of certain tenants without just cause, either at-fault or no-fault of the tenant. The TPA exempts certain types of residential real property from that prohibition, including, among others, housing that has been issued a certificate of occupancy within the previous 15 years.

SB 522 (Wahab) would exclude housing built to replace a previous housing unit that was subject to the TPA and was substantially damaged or destroyed by a disaster and was issued a certificate of occupancy before that housing unit was substantially damaged or destroyed, from the above-described exemption from the just cause requirements and rental increase limits.

6. Arguments in opposition

According the California Chamber of Commerce, which opposes SB 522:

SB 522 will have the unintended consequence of discouraging the reconstruction of housing destroyed by disasters. For example, much of the housing lost in recent Los Angeles wildfires was older and originally built decades ago. Rebuilding this housing will come at a significantly higher cost due to modern building standards and increased construction expenses. The current 15-year exemption from rent caps, established under existing law, allows property owners to secure financing and recover those rebuilding costs over time.

By removing that exemption, SB 522 would make it nearly impossible for property owners to obtain financing for reconstruction because the rent capped units will not cover the construction costs of the properties. Even if they can obtain financing, the cost of the rebuild plus the financing costs will be so high they will choose to find markets where landlord-tenant regulations are much more nuanced. The result: a permanent loss of housing stock in areas already suffering from a housing shortage. Simply put, SB 522 undermines the very goal of protecting and preserving housing in the wake of disasters.

SUPPORT

Los Angeles City Attorney (sponsor)

Alliance of Californians for Community Empowerment

National Association of Social Workers, California Chapter

Santa Clara Housing Advocates

Transform

OPPOSITION

Building Owners and Managers Association of California
California Apartment Association
California Association of Realtors
California Building Industry Association (CBIA)
California Business Properties Association
California Chamber of Commerce
Institute of Real Estate Management (IREM)
Naiop of California, the Commercial Real Estate Development Association
Western Manufactured Housing Communities Association

RELATED LEGISLATION

Pending Legislation:

SB 610 (Pérez, 2025) provides for the responsibility of a landlord or management of a mobilehome park to repair or remediate damage that was the result of a disaster, and provides the remedies available to a tenant if the landlord does not, among other provisions. SB 610 is currently pending before this Committee.

AB 311 (McKinnor, 2025) authorizes a tenant to temporarily permit a person at risk of homelessness to reside in their unit, regardless of the terms of the tenant’s lease, and includes in the definition of a person at risk of homelessness a person who is displaced as a result of a disaster in an area in which a state of emergency has been declared. AB 311 is currently pending before the Senate Rules Committee.

Prior Legislation:

SB 479 (Durazo, Ch. 8, Stats. 2024) corrected an unintended drafting error in SB 567 (Durazo, Ch. 290, Stats. 2023) regarding the definition of “natural person” in the owner move-in provisions of the no-fault just cause eviction portion of the Tenant Protection Act of 2019.

SB 567 (Durazo, Ch. 290, Stats. 2023) made a series of revisions to existing statewide protections against eviction without just cause and provided enforcement mechanisms for the violation of statewide restrictions on residential rent increases and statewide protections against no fault evictions.

SB 1482 (Chiu, Ch. 597, Stats. 2019) created the Tenant Protection Act of 2019 that, among other things, provided that tenants who have resided in their unit for at least a year cannot be evicted but for just-cause, with exceptions for certain housing, and prohibited rent increases from exceeding five percent plus the change in the consumer price index, or 10%, whichever is lower.
