

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2023-2024 Regular Session

SB 1095 (Becker)
Version: March 21, 2024
Hearing Date: April 2, 2024
Fiscal: Yes
Urgency: No
ID

SUBJECT

Cozy Homes Cleanup Act: building standards: gas-fuel-burning appliances

DIGEST

This bill enacts various changes to the Manufactured Homes Act, State Housing Law, and the Davis-Sterling Common Interest Development Act to ensure that electric residential appliances can be installed in and approved for residences, manufactured homes, and residences in common interest developments, and directs the Department of Housing and Community Development to promulgate related regulations.

EXECUTIVE SUMMARY

Man-made global warming is a serious threat to California and its residents. In an effort to combat global warming, the state has enacted standards for the reduction of greenhouse gas emissions. A significant contributor to greenhouse gas emissions are residential gas-burning appliances. Thus, regional governmental agencies and the state have begun to consider policies to reduce greenhouse gas emissions by transitioning to zero-emissions residential appliances that would not emit greenhouse gases; namely, electric appliances. This bill aims to ensure that, as regional governmental agencies and the state implements programs to transition the state's housing supply to zero-emissions appliances, the various laws regulating the construction, occupation, and improvements of residential buildings and the governance of common interest developments do not impede the transition to zero-emissions appliances.

SB 1095 is sponsored by the Bay Area Air Quality Management District, and is supported by the U.S. Green Building Council, and a coalition of environmental and affordable housing organizations. The Committee has received no timely opposition. The bill passed out of the Senate Housing Committee on a vote of 7 to 1.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes the Davis-Sterling Common Interest Development Act, providing the rules governing the formation and operation of common interest developments, defining a common interest development (CID) as community apartment project, condominium project, planned development, or a stock cooperative. Specifies the rights and responsibilities of homeowners and the homeowners' association that governs the CID. (Civ. Code §§ 4000 et seq.)
- 2) Specifies that a CID is created whenever a separate interest coupled with an interest in a common area or membership in an association is conveyed, provided that a declaration, condominium plan, if any, and a final map or parcel map are recorded. (Civ. Code § 4200.)
- 3) Establishes the contents and limitations of a CID declaration, how a declaration can be amended, and that the declaration shall describe the restrictions on the use or enjoyment of any portion of the CID that are intended to be enforceable equitable servitudes. (Civ. Code §§ 4250-4275.)
- 4) Provides that the covenants and restrictions in a CID's declaration are enforceable equitable servitudes, unless unreasonable, and shall take effect to the benefit of and bind all owners of separate interests in the CID. Specifies that these servitudes may be enforced by any owner of a separate interest, or by the association, and that in an action to enforce the servitudes, a prevailing party shall be awarded reasonable attorney's fees and costs. (Civ. Code § 5975.)
- 5) Permits a homeowner of a separate interest in a CID to make any improvement or modification to their separate interest that does not impair the structural integrity or mechanical systems or lessen the support of any portions of the CID, including to modify the interest to facilitate access for individuals with disabilities, subject to the rules of the CID's governing documents and law. Specifies that the guidelines to any process for approval required, if the governing documents require the association to approve any such improvement. (Civ. Code §§ 4760-4765.)
- 6) Provides that covenants and restrictions in a CID's declaration are presumed reasonable and enforceable "unless they are wholly arbitrary, violate a fundamental public policy, or imposes a burden on the use of affected land that far outweighs any benefit." (*Nahrstedt v. Lakeside Village Condominium Assn.*, (1994) 8 Cal. 4th 361, 382.) Provides judicial deference to decision-making by the association's Board of Directors, as long as the duly-elected board exercises discretion within the scope of its authority in good faith. (*Lamden v. La Jolla Shores Clubdominium Homeowners Assn.*, (1999) 21 Cal. 4th 249.)

- 7) Establishes the Manufactured Housing Act of 1980 that requires the Department of Housing and Community Development (HCD) to enforce various laws pertaining to the structural, fire safety, plumbing, heating, or electrical systems and installations or equipment within a manufactured home or mobilehome. Requires the Department to create rules and regulations for certain standards for specified water and gas heating, cooking, and drying systems. (Health & Safety Code § 18000 et seq.)
- 8) States that nothing in the Manufactured Housing Act shall prohibit the replacement of a water heater in a manufactured or mobilehome with a gas-burning water heater not specifically listed for use in a manufactured home or mobilehome, or the replacement of heating appliances in manufactured homes or mobilehomes with gas heating appliances not specifically listed for use in a manufactured home or mobilehome, as provided. Requires replacement gas-burning water heaters be listed for residential use, installed with a tiedown or bracing to prevent overturning, affixed warning labels as prescribed, and be seismically braced, anchored, or strapped. Requires HCD to promulgate rules and regulations for water heater seismic bracing, anchoring, or strapping. (Health & Saf. Code § 18031.7.)
- 9) Establishes the State Housing Law that provides statewide construction and occupancy standards for buildings used for habitation. (Health & Saf. Code § 17910 et seq.)
- 10) Requires local ordinances or regulations to permit the replacement, retention, and extension of original materials, and the use of original methods of construction, provided that the portion of the building subject to replacement, retention, or extension of original materials complies with applicable building code provisions. (Health & Saf. Code § 17958.8.)

This bill:

- 1) Provides that the requirement that local ordinances or regulations permit the replacement, retention, and extension of original materials, as prescribed, shall not prevail over any other state or local law that prohibits the use or installation of gas-burning appliances or that requires the use or installation of electric appliances.
- 2) Includes electric water heaters or heating appliances in the Manufactured Housing Act provisions proscribing the prohibition of the replacement of water heaters or heating appliances with gas-burning appliances not specifically listed for use in a manufactured home or mobilehome, and the related requirements.
- 3) Specifies that nothing in the Manufactured Homes Act, or in any regulation, rule, or bulletin adopted pursuant to its provisions may prohibit the installation of plumbing, heating, or air-conditioning systems for manufactured homes, mobiles, or

multi-family manufactured homes located outside the home if necessary to replace an existing gas-burning water heater.

- 4) Requires, on or before August 15, 2025, that HCD promulgate rules and regulations that include standards for electric water heater seismic bracing, anchoring, or strapping, and that these rules and regulations substantially be in accordance with the California Plumbing Code and apply statewide.
- 5) Specifies that nothing in the Manufactured Homes Act, or in any regulation, rule, or bulletin adopted pursuant to its provisions may prohibit the replacement in manufactured homes or mobilehomes of any ovens, ranges, or clothes dryers with electric or gas-burning ovens, ranges, or clothes dryers not specifically listed for use in manufactured homes or mobilehomes. Specifies that replacement electric or gas-burning ovens, ranges, or clothes dryers be listed for residential use and installed with a tiedown and bracing to prevent displacement. Provides that electric or gas-burning ovens, ranges, or clothes dryers bear a label as specified.
- 6) Requires that HCD, if necessary, update existing rules and regulations by December 31, 2025 that facilitate the use of electric space and water heating technologies for manufactured homes, mobilehomes, and multi-family manufactured homes when necessary to replace gas-burning appliances with electric appliances.

COMMENTS

1. Author's Statement

According to the author:

Despite California's ambitious greenhouse gas reduction targets and incentives to convert to more climate-friendly appliances, local agencies and non-profit organizations at the forefront of electric appliance installations have raised concerns about outdated codes that could prevent or discourage individuals from making the switch from gas to electric appliances.

Issues such as legal ambiguities or delays in approval of installation from a homeowner association (HOA) can potentially add time or costs to the process of allowing residents to make the switch. This is particularly burdensome in cases of changes of appliances at the 'end of life,' where a family cannot and will not wait 3-6 months for their HOA to approve replacement water heater installation.

These outdated regulations could preemptively increase building electrification barriers and costs, particularly for edge case installations of heat pumps on the exteriors of homes, or for replacements in mobile and multi-family homes.

SB 1095 will help preemptively remove potential barriers that could frustrate Californians trying to make the switch to electric appliances so that all Californians can have cozier, healthier zero-emission homes.

2. Climate change and the movement for zero-emission homes

It is uncontroverted that man-made climate change is occurring. Models project that the state will continue to warm over the twenty-first century, with an estimate of an increase in annual average maximum daily temperature of at least 2.5 degrees Fahrenheit by 2039 and between 4.4 and 5.8 degrees Fahrenheit by 2069.¹ The primary contributor to global warming has been greenhouse gases, a group of gases that, when added to the atmosphere, act to trap in the atmosphere heat that would otherwise radiate into space. The more greenhouse gases that are present in the atmosphere, the more heat is trapped in Earth's atmosphere, thereby resulting in higher global temperatures. As the California's climate continues to warm, the state and its residents are and will be severely affected through a myriad of ways, including through coastal flooding and erosion, environmental destruction through saltwater contamination, decreased water supply and increased drought, a greater risk of significant wildfires, more frequent hazardous weather and pollution, habitat destruction, increased illness and death from extreme weather events, and increased costs due to these impacts and climate change mitigation efforts.²

In light of the reality of climate change and its dire consequences for California, the state has taken a variety of steps to decrease greenhouse gas emissions and combat climate change. In 2006, the Legislature passed AB 32 (Nuñez, Ch. 488, Stats. 2006) ambitiously requiring California to reduce its overall greenhouse gas emissions to 40 percent below 1990 levels by 2030. In 2022, the Legislature passed AB 1279 (Muratsuchi, Ch. 337, Stats. 2022), upping this reduction by requiring the state to achieve net negative emissions by 2024 and reduce statewide greenhouse gas emissions by 85 percent by 2045. The state also has instituted a cap-and-trade program requiring power plants and other facilities to buy and trade greenhouse gas emissions allowances to meet overall emissions reductions, a variety of programs and standards to reduce greenhouse gas emissions from vehicles, and a number of other initiatives aimed at reducing the state's greenhouse gas emissions.

As part of meeting the targets set by AB 32, the California Air Resources Board (CARB) publishes and updates a comprehensive plan outlining the actions needed to achieve those targets, called the Climate Change Scoping Plan. Among other recommendations,

¹ Louise Bedsworth et al., California's Fourth Climate Change Assessment: Statewide Summary Report (California Natural Resources Agency 2018) p. 23.

² Office of the Attorney General, Climate Change Impacts in California <<https://oag.ca.gov/environment/impact#:~:text=Sea%20level%20rise%2C%20coastal%20flooding,the%20end%20of%20the%20century>> (as of March 18, 2024).

the most recent Climate Change Scoping Plan recommended phasing out the use of natural gas in homes and buildings. This is because natural gas combustion in homes for space and water heating, cooking, and other uses contributes about five percent of the state's emissions of nitrogen oxide (NO_x), a greenhouse gas, and produces a variety of other harmful gases and particles.³ This production of NO_x amounts to 66 tons per day released into the air, four times the emissions from electric utilities and almost two-thirds the emissions for light-duty vehicles.⁴ Space and water heating account for nearly 90 percent of all building-related natural gas use.⁵ These gasses increase pollution levels, contribute to global warming, and are linked to a variety of health problems. In order to phase out the use of natural gas in homes and buildings, CARB recommended developing zero-emission standards for space and water heaters to go into effect by 2030. CARB is still working to develop these standards.

Regional entities responsible for air quality are also moving forward with zero-emission standards for space and water heaters. The Bay Area Air Quality Management District, the sponsor of this bill, adopted zero-emission standards for residential furnaces and water heaters in March of 2023.⁶ These standards prohibit the selling, offering for sale, or installation of natural gas water heaters that produce any NO_x in the Air District by 2027 for smaller units and 2031 for larger units. The standards also prohibit the selling, offering for sale, and installation of natural gas furnaces that produce NO_x by 2027, with furnaces that produce ultra-low amounts of NO_x being required from 2024 to 2027. These standards do not require any building or residence to replace their natural gas water heaters or furnaces, they only apply to new water heaters or furnaces sold or installed after the effective dates.

3. Homeowners associations often tightly regulate the exteriors of homeowners' units in a way that may prevent installation of electrical appliances

SB 1095 aims to facilitate and remove barriers to the transition to electric water heaters and appliances that would meet the state's goals and zero-emissions appliance standards. The first barrier identified to this transition are homeowner association rules that could prevent or delay the installation of such zero-emissions appliances.

The laws that regulate homeowner associations (HOAs) and the common interest developments (CIDs) they govern are encompassed in the Davis-Sterling Common Interest Development Act (Civil Code Section 4000 et seq.). Common interest

³ California Air Resources Board, 2022 Scoping Plan for Achieving Carbon Neutrality (Dec. 2022), Appendix F p. 2.

⁴ *Id.*, at 5.

⁵ California Air Resources Board, 2022 State Strategy for the State Implementation Plan (Sept. 2022), p. 101.

⁶ Bay Area Air Quality Management District Rule 9-4: Nitrogen Oxides from Fan Type Residential Central Furnaces (Mar. 15, 2023); Bay Area Air Quality Management District Rule 9-6: Nitrogen Oxides Emissions from Natural Gas-Fired Boilers and Water Heaters (Mar. 15, 2023).

developments are housing developments comprised of individually-owned housing units and common space for all homeowners and residents of the CID to enjoy. CIDs can be condominiums, townhouses, detached single-family homes, and apartment-like high rises. All homeowners in the CID are members of the HOA, which provides for the self-governance of the CID, managing and maintaining the common space of the CID, setting the rules for the CID, and resolving disputes. CIDs are governed by the Declaration of Covenants, Conditions, and Restrictions (CC&Rs), that are filed with the county recorder when the CID is established. These CC&Rs identify the CID's common area, the HOA's responsibilities, the obligation of the HOA to collect assessments from homeowners to cover the HOA's expenses, and a variety of other issues. The HOA elects a board of directors, and usually has bylaws outlining the governance rules of the HOA and its board of directors.

An HOA's board of directors can establish rules governing a broad variety of topics relating to the CID. Such rules can prescribe a great variety of limitations on homeowners; for example, they may limit what can be placed on a homeowner's balcony, prohibit a homeowner from having pets, and specify what kinds of improvements a homeowner is allowed to make on the exterior of their unit. These rules, or Architectural Guidelines, can require submission to an "Architectural Committee" or other body within the HOA of any proposed alterations or additions to a homeowner's property, with approval required before a homeowner can begin the alteration. The rules of the CID on individual homeowners can be enforced by the association or by other individual homeowners through a lawsuit.

The HOA's authority to institute and enforce such rules is broad. Civil Code Section 5975, subdivision (a), provides that the covenants and restrictions stated in the declaration of a CID "shall be enforceable equitable servitudes, unless unreasonable." In *Nahrstedt v. Lakeside Village Condominium Association*, the California Supreme Court held that covenants and restrictions in a CID's declaration are presumed reasonable and enforceable "unless they are wholly arbitrary, violate a fundamental public policy, or imposes a burden on the use of affected land that far outweighs any benefit." (*Nahrstedt v. Lakeside Village Condominium Assn.*, (1994) 8 Cal. 4th 361, 382.) The California Supreme Court has also adopted a rule of judicial deference to decision-making by an HOA Board, as long as the duly-elected board exercises discretion within the scope of its authority in good faith. (*Lamden v. La Jolla Shores Clubdominium Homeowners Assn.*, (1999) 21 Cal. 4th 249.) Under these precedents, courts have allowed associations to provide authority to an Architectural Committee or other board to make decisions on homeowner applications for proposed improvements to their homes under subjective, aesthetic criteria. (*Dolan-King v. Rancho Santa Fe Assn.*, (2000) 81 Cal. App. 4th 965.)

According to the author, these rules may prevent a homeowner in a CID from being able to install an electric, zero-emissions appliance in their unit, either because the HOA denies the request or because the process would take time when a homeowner with a failing appliance is trying to replace their appliance as quickly as possible. Indeed, for

heat pumps, one type of electric heating system, part of the system must be placed outside of the residence. It is possible that an HOA would deny a request to install a heat pump for not complying with architectural or aesthetic rules of the HOA because of the portion of the heat pump that must be located outside the unit. An HOA could implement rules under their authority to simply prohibit the installation of electric appliances, if such rules could be shown to be reasonable.

4. SB 1095 makes void and unenforceable any HOA rule to the extent it prevents the installation of electric appliances

In order to ensure that HOAs do not serve as significant impediments to homeowners transitioning to zero-emissions appliances or to state or regional zero-emissions standards of residential appliances, this bill would specify that any governing documents or architectural guidelines of a CID would be void and unenforceable to the extent that they prevent the replacement of a gas-burning appliance with an electric one. By making such provisions void and unenforceable, SB 1095 would prevent an association or an individual homeowner from being able to sue to enforce any rule against a homeowner relating to their installation of a zero-emissions appliance, to the extent that they prevent the installation. The bill does not prohibit any specific rule from being adopted by an HOA, but makes any rule that is adopted void and unenforceable to the degree it prevents the installation of electric appliances. Through this construction, these proposed provisions are broad in scope, and could serve to ensure that a homeowner in a CID who wishes to install an electric appliance will be able to do so. However, the bill does not mandate the installation of an electric appliance. It also does not prevent an HOA from nonetheless passing rules that prevent the installation of an electric appliance: an HOA is free to enact such rules (and a homeowner may well follow them); this bill simply prevents such rules from being enforced.

The imposition of limits on the rules and actions of an HOA is not an entirely new legislative act by the Legislature. In fact, the Davis-Sterling Act includes numerous provisions prohibiting an HOA's governing documents or rules from preventing homeowners from utilizing or altering their homes a wide variety of ways. For example, provisions prohibit governing documents from limiting or preventing a homeowner from displaying the United States flag on their home (Civil Code Section 4705), religious items on their door (Civil Code Section 4706), or from displaying any noncommercial signs, flags, or banners (Civil Code Section 4710). In addition, other provisions make void and unenforceable any covenant, governing document, or other rule that effectively prohibits or unreasonably restricts the installation or use of an electric vehicle charger in a homeowner's unit or designated parking space (Civil Code Section 4745), or any governing document or architectural guideline that prohibits the use of water-efficient plants and landscaping or artificial turf (Civil Code Section 4735).

These provisions enact limitations on HOAs in order to further important public policy goals of the Legislature, and the provisions in this bill aim to do the same thing.

5. Other laws lack clarity regarding electrical appliances

SB 1095 also makes a number of changes to provisions of the Health and Safety Code relating to the regulation of dwellings. The State Housing Law, encompassed in Division 13, Part 1.5 of the Health and Safety Code (Sections 17910 to 17998.3), establishes statewide construction and occupancy standards for buildings used for human habitation. The State Housing Law is intended to encourage uniformity in building standards across the state, and protect the health, safety, and general welfare of the public and occupants of residential buildings. It is enforced by the Housing and Community Development Department (HCD) and by local housing agencies. The Building Standards Code encompass statewide regulations implementing the State Housing Law.

Health and Safety Code Section 17958.8 requires that local ordinances and regulations governing alterations and repair of existing buildings allow for the replacement, retention, and extension of original materials and the original methods of construction, as long as the building complies with applicable building code provisions. According to the author, gas appliances could be deemed an “original material” of a home, such that regulations prohibiting the replacement, retention, or extension of a gas appliance with another gas appliance would run afoul of Section 17958.8. Thus, in order to preempt any conflict between Section 17958.8 and BAAQMD’s regulations requiring zero-emissions appliances, this bill would amend Section 17958.8 to state that Section 17958.8 will not prevail over any state or local law that prohibits the use or installation of gas-burning appliances or requires the use or installation of electric appliances.

The Manufactured Housing Act of 1980, contained in Part 2 of Division 13 of the Health and Safety Code (Sections 18000 to), prescribes various standards on the structural, fire safety, plumbing, heating, and electrical systems of a manufactured home, or mobilehome. This Act includes provisions regulating the replacement of water heaters and furnaces in manufactured homes. Section 18031.7 states that nothing in Part 2 may prohibit the replacement of water heaters in manufactured homes with gas-burning water heaters not specifically listed for use in a manufactured home or mobilehome. However, this section only mentions fuel-gas-burning water heaters and furnaces. Therefore, in order to ensure that these appliances in mobilehomes can be allowed to be replaced with electric water appliances, this bill amends Section 18031.7 to explicitly include electric appliances.

This bill also adds a provision to Section 18031.7 stating that no part of the Manufactured Housing Act or any other regulation or rule may prohibit the installation of appliances in mobilehomes that are located outside the home, if necessary to replace a gas-burning water heater. In order to implement the changes made to Section 18031.7, this bill adds a provision to that section requiring HCD to promulgate rules and regulations for the installation of electric water heaters regarding seismic bracing, anchoring, or strapping. HCD has already promulgated such standards for gas-burning

water heaters, but now that electric water heaters would be included in the rules regarding replacing water heaters or heating appliances under SB 1095, the bill directs HCD to make rules specific to electric water heaters.

Health and Safety Code Section 18031.8 of the Manufactured Housing Act similarly extends a limitation on prohibiting the replacement of ovens, ranges, or clothes dryers in manufactured homes with gas burning ovens, ranges, or clothes dryers not specifically listed for use in a manufactured home. This bill would specify in this section that its provisions include both electric or gas burning ovens, ranges, or clothes dryers.

Lastly, this bill adds a section to the Manufactured Housing Act requiring HCD to update existing rules and regulations that facilitate the use of electric space and water heaters for manufactured homes when necessary to replace gas-burning appliances with electric appliances. It requires HCD to update such existing rules and regulations if necessary, and provides that the agency shall do so by December 31, 2025.

The author has agreed to accept amendments that extend the amount of time that HCD has to update its regulations to better reflect that HCD usually requires 18 months to complete the rulemaking process. Under these amendments, HCD will have until July 1, 2026 to update its regulations. A mock-up of those amendments are attached at the end of this analysis.⁷

6. Arguments in support

According to the Bay Area Air Quality Management District, the sponsor of SB 1095:

[SB 1095] is a preemptive effort to prevent roadblocks in California's transition to zero-emission appliances. SB 1095 would prevent Homeowners Associations (HOAs) from imposing unnecessary restrictions that would make the conversion from gas to electric appliances prohibitive. In addition, SB 1095 provides the Department of Housing and Community Development (HCD) with additional guidance in order to permit and facilitate conversions from gas to electric appliances in mobile and manufactured homes.

Despite California's ambitious climate targets and associated incentives, local agencies and non-profit organizations at the forefront of electric appliance installations have raised concerns about outdated health and safety codes that could prevent or discourage individuals from making the switch from gas to electric appliances. Issues such as legal ambiguities or delays in approval of installation from a homeowner association can potentially add time or costs to the process of allowing residents to replace appliances. This is particularly burdensome in cases of changes of appliances at the 'end of life,' where a family

⁷ The amendments may be subject to any non-substantive amendments by Legislative Counsel.

may have to wait months for their HOA to approve replacement water or space heater installation. These hurdles could preemptively increase building electrification barriers and costs, particularly for installations requiring a component on the exterior of a home, or for replacements in mobile and multi-family homes.

SB 1095 also cleans up outdated codes language inhibiting or delaying building and home electrification under the authority of HCD. It clarifies the authority of individuals to replace gas appliances with electric appliances in mobile and manufactured homes, that provisions regarding the right to the original construction materials of a building does not supersede local jurisdictional policies requiring gas to electric appliances switches, and provides the HCD authority to update its regulations. This legal language cleanup will preemptively remove potential barriers that could frustrate Californians making the switch to electric appliances.

7. Prior amendments removed SB 1095's opposition

The California Manufactured Housing Institute and the Western Manufactured Housing Communities Association initially opposed this bill, but prior amendments taken in the Senate Housing Committee removed their opposition.

SUPPORT

Bay Area Air Quality Management District (sponsor)

Acterra

Act Now Bay Area

Building Decarbonization Coalition

California Air Pollution Control Officers Association

California Environmental Voters

Carbon Free Palo Alto

Carbon Free Silicon Valley

Center for Biological Diversity

Earthjustice

Institute for Market Transformation

Natural Resources Defense Council

Rewiring America

RMI

San Francisco Bay Area Planning and Urban Research Association

San Francisco Bay Physicians for Social Responsibility

Sierra Club California

Silicon Valley Leadership Group

U.S. Green Building Council

350 Sacramento

OPPOSITION

None received

RELATED LEGISLATION

Pending Legislation:

SB 1054 (Rubio, 2024) requires the Energy Commission, in consultation with the Department of Community Services and Development, to develop and supervise the Climate Pollution Reduction in Homes Initiative to require gas corporations to jointly award grants for local service providers and other entities to provide financial assistance to low-income households for the purchase of zero-emissions home appliances. SB 1054 is currently in the Senate Energy, Utilities and Communications Committee.

SB 938 (Min, 2024) prohibits, except as provided, an electrical or gas corporation from recording various expenses associated with political influence activities, as defined, or with advertising, as defined, to accounts that contain expenses recovered from ratepayers, and provides that three fourths of any moneys collected pursuant to a violation of this prohibition go toward a Zero-Emission Equity Fund to be allocated for purposes of assisting low-income households in transitioning to zero-emission appliances. SB 938 is currently in the Senate Energy, Utilities and Communications Committee.

AB 3076 (Essayli, 2024) prohibits state agencies and local governments from adopting or enforcing a rule, regulation, resolution, or ordinance that directly or indirectly results in prohibiting the use of gas stoves in residential or non-residential buildings, as specified. AB 3076 is in the Assembly Utilities, Energy, & Communications Committee.

AB 2601 (Ramos, 2024) requires the Energy Savings Assistance Program that provides, among other measures, replacement appliances for low-income customers of California investor-owned utility companies, to replace natural gas appliances under the program with electric appliances. AB 2601 is currently in the Assembly Utilities, and Energy Committee.

AB 698 (Essayli, 2023) would have prohibited state agencies and local governments from adopting or enforcing a rule, regulation, resolution, or ordinance that directly or indirectly results in prohibiting the use of gas stoves in residential or non-residential buildings, as specified. AB 698 died in the Assembly Utilities and Energy Committee.

AB 408 (Wilson, 2023) enacts the Climate-resilient Farms, Sustainable Healthy Food Access, and Farmworker Protection Bond Act of 2024, which, if approved by voters, authorizes the issuance of \$3.65 billion in bonds to finance various programs, including \$75 million for grants to improve the energy efficiency, indoor air quality, renewable energy use, and climate resilience of farmworker housing, including single-family homes, multi-family buildings, mobilehomes, and manufactured housing. AB 408 is currently in the Senate Appropriations Committee.

Prior Legislation:

AB 1572 (Friedman, Ch. 849, Stats. 2023) prohibited the use of potable water to irrigate nonfunctional turf on properties including homeowners' associations, common interest developments, and community service organizations.

AB 1279 (Muratsuchi, Ch. 337, Stats. 2022), declared that it is the policy of the state to achieve net zero greenhouse gas emissions as soon as possible, but no later than 2045, and ensure that by 2045 statewide anthropogenic greenhouse gas emissions are reduced to at least 85% of 1990 levels.

SB 1016 (Allen, Ch. 376, Stats. 2018) prohibited any unreasonable restriction, particularly concerning multi-family housing, on the installation or use of an electric vehicle-dedicated time-of-use meter in common interest developments.

AB 32 (Nunez, Ch. 488, Stats. 2006) required California to reduce its overall greenhouse gas emissions to 40 percent below 1990 levels by 2030, and required the State Air Resources Board to adopt regulations for reporting of statewide greenhouse gas emissions and for achieving the maximum technologically feasible and cost-effective greenhouse gas emission reductions, among other provisions.

PRIOR VOTES

Senate Housing Committee (Ayes 7, Noes 1)

Proposed Committee Amendments to SB 1095

SECTION 1. This act shall be known, and may be cited, as the Cozy Homes Cleanup Act.

SEC. 2. Section 4737 is added to the Civil Code, to read:

4737. Notwithstanding any other law, any provision of the governing documents or architectural guidelines or policies shall be void and unenforceable to the extent that the provision prevents the replacement of a fuel-gas-burning appliance with an electric appliance.

SEC. 3. Section 17958.8 of the Health and Safety Code is amended to read:

17958.8. (a) Local ordinances or regulations governing alterations and repair of existing buildings shall permit the replacement, retention, and extension of original materials and the use of original methods of construction for any building or accessory structure subject to this part, including a hotel, lodginghouse, motel, apartment house, or dwelling, or portions thereof, as long as the portion of the building and structure subject to the replacement, retention, or extension of original materials and the use of original methods of construction complies with the building code provisions governing that portion of the building or accessory structure at the time of construction, and the other rules and regulations of the department or alternative local standards governing that portion at the time of its construction and adopted pursuant to Section 13143.2 and the building or accessory structure does not become or continue to be a substandard building.

(b) This section shall not prevail over any other state or local law that prohibits the use or installation of fuel-gas-burning appliances or that requires the use or installation of electric appliances.

SEC. 4. Section 18031.7 of the Health and Safety Code is amended to read:

18031.7. (a) (1) Nothing in this part shall prohibit the replacement of water heaters in manufactured homes or mobilehomes with electric or fuel-gas-burning water heaters not specifically listed for use in a manufactured home or mobilehome or from having hot water supplied from an approved source within the manufactured home or mobilehome, or in the garage, in accordance with this part or Part 2.1 (commencing with Section 18200).

(2) Nothing in this part shall prohibit the replacement of appliances for comfort heating in manufactured homes, mobilehomes, or multifamily manufactured homes with electric or fuel-gas appliances for comfort heating not specifically listed for use in a manufactured home or mobilehome within the manufactured home, mobilehome, or multifamily manufactured home in accordance with this part, Part 2.1 (commencing with Section 18200), or Part 2.3 (commencing with Section 18860).

(b) Nothing in this part, nor any regulation, rule, or bulletin adopted pursuant to this part, shall prohibit the installation of plumbing, heating, or air-conditioning systems for manufactured homes, mobilehomes, or multifamily manufactured homes from being

located outside of the home if necessary to replace an existing fuel-gas-burning water heater.

(c) Replacement electric or fuel-gas-burning water heaters shall be listed for residential use and installed within the specifications of that listing to include tiedown or bracing to prevent overturning.

(d) Replacement electric or fuel-gas-burning water heaters installed in accordance with subdivision (c) shall bear a label permanently affixed in a visible location adjacent to the fuel gas inlet or electrical power source which reads, as applicable:

WARNING This appliance is approved only for use with natural gas (NG).

OR

WARNING This appliance is approved only for use with liquified petroleum gas (LPG).
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OR

WARNING This appliance is approved only for electrical use.
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Lettering on the label shall be black on a red background and not less than 1/4 inch in height except for the word "WARNING" which shall be not less than 1/2 inch in height.

(e) (1) All electric or fuel-gas-burning water heater appliances in new manufactured homes or new multifamily manufactured homes installed in the state shall be seismically braced, anchored, or strapped pursuant to paragraph (3) or (4) and shall be completed before or at the time of installation of the homes.

(2) Any replacement electric or fuel-gas-burning water heater appliances installed in existing mobilehomes, existing manufactured homes, or existing multifamily manufactured homes that are offered for sale, rent, or lease shall be seismically braced, anchored, or strapped pursuant to paragraph (3) or (4).

(3) On or before July 1, 2009, the department shall promulgate rules and regulations that include standards for water heater seismic bracing, anchoring, or strapping. These standards shall be substantially in accordance with either the guidelines developed pursuant to Section 19215 or the California Plumbing Code (Part 5 of Title 24 of the California Code of Regulations), and shall be applicable statewide.

(4) On or before ~~August 15, 2025~~July 1, 2026, the department shall promulgate rules and regulations that include standards for electric water heater seismic bracing, anchoring, or strapping. These standards shall be substantially in accordance with either the guidelines developed pursuant to Section 19215 or the California Plumbing Code (Part 5 of Title 24 of the California Code of Regulations), and shall be applicable statewide.

(5) The dealer, or manufacturer acting as a dealer, responsible, as part of the purchase contract, for both the sale and installation of any home subject to this subdivision shall ensure all water heaters are seismically braced, anchored, or strapped in compliance with this subdivision prior to completion of installation.

(6) In the event of a sale of a home, pursuant to either paragraph (1) of subdivision (e) of Section 18035 or Section 18035.26, the homeowner or contractor responsible for the

installation of the home shall ensure all electric or fuel-gas-burning water heater appliances are seismically braced, anchored, or strapped consistent with the requirements of paragraph (3). This requirement shall be satisfied when the homeowner or responsible contractor signs a declaration stating each electric or fuel-gas-burning water heater is secured as required by this section on the date the declaration is signed.

(f) All used mobilehomes, used manufactured homes, and used multifamily manufactured homes that are sold shall, on or before the date of transfer of title, have the electric or fuel-gas-burning water heater appliance or appliances seismically braced, anchored, or strapped consistent with the requirements of paragraph (3) or (4) of subdivision (e). This requirement shall be satisfied if, within 45 days prior to the transfer of title, the transferor signs a declaration stating that each water heater appliance in the used mobilehome, used manufactured home, or used multifamily manufactured home is secured pursuant to paragraph (3) or (4) of subdivision (e) on the date the declaration is signed.

(g) For sales of manufactured homes or mobilehomes installed on real property pursuant to subdivision (a) of Section 18551, as to real estate agents licensed pursuant to Division 4 (commencing with Section 10000) of the Business and Professions Code, the real estate licensee duty provisions of Section 8897.5 of the Government Code shall apply to this section.

SEC. 5. Section 18031.8 of the Health and Safety Code is amended to read:

18031.8. (a) Nothing in this part or the regulations promulgated thereunder shall prohibit the replacement in manufactured homes or mobilehomes of ovens, ranges, or clothes dryers with electric or fuel gas burning ovens, ranges, or clothes dryers not specifically listed for use in a manufactured home or mobilehome.

(b) Replacement electric or fuel gas burning ovens, ranges, or clothes dryers shall be listed for residential use and installed in accordance with the specifications of that listing to include tiedown and bracing to prevent displacement.

(c) Replacement electric or fuel gas burning ovens, ranges, or clothes dryers installed in accordance with subdivision (b) shall bear a label in compliance with subdivision (c) of Section 18031.7.

SEC. 6. Section 18031.9 is added to the Health and Safety Code, to read:

18031.9. The department shall, if necessary, by ~~December 31, 2025~~**July 1, 2026**, update existing rules and regulations that facilitate the use of electricity-powered space and water heating technologies for manufactured homes, mobilehomes, and multifamily manufactured homes when necessary to replace fuel-burning appliances with electric appliances.