

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

AB 2493 (Pellerin)  
Version: May 16, 2024  
Hearing Date: June 18, 2024  
Fiscal: No  
Urgency: No  
ID

**SUBJECT**

Tenancy: application screening fee

**DIGEST**

This bill provides that a landlord may only charge a lease applicant for a residential property an application screening fee if the landlord offers an application screening process that considers applications in the order in which they are received, allows applicants to apply using a reusable screening platform, or that provides any applicant who is not selected for tenancy with a refund or credit for the application screening fee. This bill also makes other changes to the rules for application screening fees.

**EXECUTIVE SUMMARY**

California's housing market is incredibly difficult for tenants to navigate, as competition for housing is fierce, high rents require considerable portions of tenants' monthly income, and the application process often includes fees for every rental application. In some instances, landlords require potential tenants to pay a fee to be placed on a waitlist for a unit, when a unit may never actually end up becoming available. As tenants have to apply to many rentals in the state's tight market before they may be approved for a unit, the costs of application fees can add up. In 2022, the Legislature passed AB 2559 ((Ward), Ch. 288, Stats 2022), which created a process for landlords to accept reusable screening reports from applicants, such that applicants may be able to minimize the costs of applying by being able to submit an application to multiple units. This bill would provide that a landlord can charge an application screening fee, as long as the landlord offers one of the application processes provided by this bill. Those processes include: a process that considers applications in the order in which they are received; a process through a reusable screening platform; or a process that provides any applicant who is not selected for tenancy with a refund or credit for the application screening fee. AB 2493 is sponsored by Communities Organized for Relational Power in Action, supported by AFSME and the AIDS Healthcare Foundation, and is opposed by the California Association of Realtors.

**PROPOSED CHANGES TO THE LAW**

Existing law:

- 1) Specifies that, when a landlord or their agent receives a request to rent a residential property from an applicant, they may charge that applicant an application screening fee to cover the costs of obtaining information about the applicant, which may include, but is not limited to, personal reference checks and consumer credit reports. (Civ. Code § 1950.6 (a).)
- 2) Provides that a landlord or their agent may, but is not required to, accept and rely upon a consumer credit report presented by an applicant. (Civ. Code § 1950.6 (a).)
- 3) Provides that a rental application screening fee cannot be greater than the actual out-of-pocket costs of gathering information concerning the applicant, including the cost of using a tenant screening service or a consumer credit reporting service, and the reasonable value of time spent in obtaining information on the applicant. Specifies that in no case can the amount of the application screening fee be greater than \$30 per applicant, which may be adjusted annually, beginning on January 1, 1998, to correspond to increases in the Consumer Price Index. (Civ. Code § 1950.6 (b).)
- 4) Prohibits a landlord or their agent from charging an application screening fee to apply for a unit that they know or should know is unavailable or will not be available within a reasonable time, unless agreed to by the applicant. (Civ. Code § 1950.6 (c).)
- 5) Requires a landlord or their agent to provide an applicant with a receipt for the fee paid by the applicant, itemizing the out-of-pocket expenses and time spent to obtain and process the information about the applicant. Provides that the receipt must be provided personally, by mail, or by email if the applicant and landlord agree. (Civ. Code § 1950.6 (d).)
- 6) Provides that, if a landlord or their agent does not perform a personal reference check or does not obtain a consumer credit report, they must return to the applicant any amount of the screening fee that is not used for the purposes authorized by this section. (Civ. Code § 1950.6 (e).)
- 7) Provides that, if an application screening fee has been paid by the applicant, and the applicant so requests, then the landlord or their agent must provide a copy of the consumer credit report to the applicant. (Civ. Code § 1950.6 (f).)
- 8) Defines, for the purposes of Civil Code Section 1950.6, as described above, the following:

- a. "Landlord" as an owner of residential rental property. (Civ. Code § 1950.6 (g).)
  - b. "Application screening fee" as any nonrefundable payment charged by a landlord or their agent to an applicant in order to purchase a consumer credit report and to validate, review, or otherwise process an application for the rent or lease of residential rental property. (Civ. Code § 1950.6 (h).)
  - c. "Applicant" as any entity or individual who makes a request to a landlord or their agent to rent a residential housing unit, or an entity or individual who agrees to act as a guarantor or co-signor on a rental agreement. (Civ. Code § 1950.6 (i).)
- 9) Defines a "consumer credit report" as any written, oral, or other communication of any information by a consumer credit reporting agency bearing on a consumer's credit worthiness, credit standing, or credit capacity, which is used or is expected to be used, or collected in whole or in part, for the purpose of determining eligibility for specified uses including hiring of a dwelling unit. (Civ. Code § 1785.3 (c).)
- 10) Provides that a landlord may accept a reusable tenant screening report, and may require an applicant to state that there has not been any material change to the information on the reusable screening report. (Civ. Code § 1950.1(c).)
- 11) Specifies that, if an applicant provides a reusable tenant screening report to a landlord and the landlord accepts reusable tenant screening reports, the landlord may not charge the applicant a fee for the landlord to access the report, or an application screening fee. (Civ. Code § 1950.1(d).)
- 12) Requires a reusable tenant screening report include the applicant's name and contact information, verification of the applicant's employment, the applicant's last known address, and the results of an eviction history check in a manner and for a period of time consistent with applicable law. (Civ. Code § 1950.1(a).)
- 13) Defines, for the purposes of Civil Code Section 1950.1, "reusable tenant screening report" as a consumer report that:
- a. Was prepared within the previous 30 days by a consumer reporting agency at the request and expense of an applicant;
  - b. Is made directly available to a landlord for use in a rental application process, or is provided to the landlord through a third-party website that regularly engages in the business of providing reusable tenant screening reports; and
  - c. Is available to the landlord at no cost or access to use. (Civ. Code § 1950.1(e)(6).)

This bill:

- 1) Specifies that a landlord or their agent shall not charge an applicant an application screening fee when the landlord or agent knows or should know that no rental unit is available at that time, or will not be available within a reasonable time.
- 2) Specifies that a landlord may only charge an application screening fee if the landlord or their agent offers one of the following:
  - a) An application screening process that complies with the following:
    - i. Completed applications are considered, as provided in the landlord's established screening criteria that the landlord must provide to the applicant, in the order in which completed applications are received.
    - ii. The landlord approves the first applicant to meets the landlord's established screening criteria.
    - iii. Applicants are not charged an application screening fee unless or until their application is actually considered.
  - b) The ability to apply for the housing unit using a reusable screening platform, defined as a service that allows an applicant to pay one fee that entitles them to submit 10 or more applications within a period of not less than 30 days.
  - c) An application screening process in which the landlord or their agent returns the entire screening fee to any applicant who is not selected, regardless of the reason, within seven days of selecting an applicant, or within 30 days of when the application was submitted, whichever occurs first.
- 3) Specifies that the landlord must provide the applicant by personal delivery, mail, or email a copy of the consumer credit report obtained with the application screening fee within seven days of the landlord or their agent receiving the report.

### COMMENTS

#### 1. Author's statement

According to the author:

AB 2493 would prevent landlords or property management companies from charging a rental applicant a screening and application fee unless their application has actually been reviewed and determined to meet or not meet screening criteria.

AB 2493 will also prevent a landlord or property management company from charging a potential applicant a fee to be entered onto a waiting list for a rental unit if no rental unit is available at the time or will be available in a reasonable amount of time. By prohibiting such fees, the bill ensures transparency and

prevents applicants from being financially exploited when there is no immediate prospect of securing a rental unit. This does not apply to waiting lists for subsidized housing or Section 8.

Overall, AB 2493 aims to protect the rights of rental applicants, preventing them from being subjected to unnecessary financial burdens, and promoting fairness and transparency in the rental housing market.

## 2. The state of rental housing in California

Almost 17 million Californians rent their apartments or homes, accounting for about 44 percent of all individuals in the state.<sup>1</sup> However, at the same time, California is experiencing a significant shortage in available housing. Some estimates suggest that the state currently has a shortfall of 1,283,734 affordable and available rental homes.<sup>2</sup> This combination of high demand and low supply has led California to have incredibly low rental vacancy rates, far below the national average and that of most states.<sup>3</sup> The tight supply has resulted in stiff competition for the available housing, and available affordable housing, that exists in many California communities. Six California metropolitan areas rank in the 25 most competitive rental markets in the United States.<sup>4</sup> In such a market, multiple applicants vie for one single unit, and landlords often offer waitlists for those interested in obtaining a rental even if it is not yet available. Landlords are also able to extract other concessions from prospective tenants desperate to obtain housing, including substandard housing or higher rent.

This reality has had dire financial consequences for millions of Californians. In 2022, the median gross rent in the state was \$1,870, which represented about an eight percent increase per year from the median gross rent in 2019.<sup>5</sup> As a result for these high rents, significant numbers of California renters pay a disproportionate amount of their income toward rent and struggle to make ends meet. In 2019, 51.8 percent of California renters were cost-burdened, in which their rent costs exceeded 30 percent of their household income, and 27.3 percent were severely cost-burdened, in which their rent costs exceeded 50 percent of their household income.<sup>6</sup> Moreover, 78 percent of extremely

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<sup>1</sup> Monica Davalos et al, California's 17 Million Renters Face Housing Instability and Inequity Before and After COVID-19, California Budget & Policy Center (Jan. 2021), available at <https://calbudgetcenter.org/resources/renters-face-housing-instability-and-inequity-before-and-after-covid-19/>.

<sup>2</sup> California Housing Partnership, "Housing Needs Dashboard," Mar. 2024, available at <https://chpc.net/housingneeds/>.

<sup>3</sup> Alexa Mae Asperin, California has least amount of vacant housing in US, study shows, FOX 11 News (Aug. 21, 2023), available at <https://www.foxla.com/news/california-vacant-housing-us-census-study>; see also Federal Reserve Bank of St. Louis, Rental Vacancy Rate for California (accessed Jun. 3, 2024), available at <https://fred.stlouisfed.org/series/CARVAC>.

<sup>4</sup>

<sup>5</sup> U.S. Census Bureau, Table: Median Gross Rent by Bedroom, American Community Survey (multiple years) (accessed May 29, 2024), available at <https://data.census.gov/>.

<sup>6</sup> Davalos *supra* note 1, p. 3.

low-income households are severely cost burdened, meaning that they spend more than half of their income on housing costs, and 52 percent of low-income households are severely cost burdened.<sup>7</sup> Data and multiple studies also have demonstrated a strong link between homelessness and the cost of housing, suggesting that California's increases in residential rental rates contributes directly to the state's growing population of individuals experiencing homelessness.<sup>8</sup> The state's high rents significantly affects people of color, who disproportionately account for the state's renters.<sup>9</sup>

California renters are also hit financially when landlords charge application fees to apply for housing that is in high demand. Because of the tight competition for available units, renters may have to submit multiple applications with application fees for each, before being able to secure a place. A study from 2023 found that 84 percent of renters reported paying rental application fees in 2023, and that Latinx renters reported submitting five or more rental applications when searching for housing.<sup>10</sup> Yet that is not usually the end of the start-up costs for a renter, as they usually must pay a significant security deposit up to the value of a month of rent just in order to move in. If you have a pet, there is the added cost of a pet deposit and possible "pet rent." For Californians facing financial hardship or with little to no savings, these expenses can be prohibitive to securing housing.

### 3. What landlords can charge applicants in the application process

Current California law allows landlords to charge rental application fees to cover the costs of obtaining information about the applicant, with some limits. Under Civil Code Section 1950.6, the information a landlord may charge to obtain may include, but is not limited to, personal reference checks and consumer credit reports produced by consumer credit reporting agencies. (Civ. Code § 1950.6(a).) However, such a fee may not exceed the actual out-of-pocket costs of gathering the information, but must not in any case exceed \$30 per applicant. (Civ. Code § 1950.6(b).) This \$30 maximum may be adjusted annually commensurate with the increase in the Consumer Price Index (CPI), pegged to January 1, 1998. Considering the increase in CPI in the intervening 25 years, this application fee may be as high as \$58.21 today.<sup>11</sup>

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<sup>7</sup> California Housing Partnership, *supra* note 2.

<sup>8</sup> Margot Kushel et al, "California Statewide Study of People Experiencing Homelessness, UCSF Benioff Homelessness and Housing Initiative (Jun. 2023), available at <https://homelessness.ucsf.edu/our-impact/studies/california-statewide-study-people-experiencing-homelessness>; Alex Horowitz et al, "How housing costs drive levels of homelessness: data from metro areas highlights strong connection," The Pew Charitable Trusts (Aug. 22, 2023), available at <https://www.pewtrusts.org/en/research-and-analysis/articles/2023/08/22/how-housing-costs-drive-levels-of-homelessness>.

<sup>9</sup> Davalos *supra* note 1, p. 6.

<sup>10</sup> Manny Garcia and Edward Berchick, Renters: Results from the Zillow Consumer Housing Trends Report 2023, Zillow (Nov. 10, 2023), available at <https://www.zillow.com/research/renters-consumer-housing-trends-report-2023-33317/>.

<sup>11</sup> See [https://www.bls.gov/data/inflation\\_calculator.htm](https://www.bls.gov/data/inflation_calculator.htm).

In addition, the law currently includes some protections and limitations on these fees. The law specifies that a landlord may not charge an application screening fee when they know or should have known that no rental unit is available or will be available within a reasonable period of time, unless the applicant agrees in writing. (Civ. Code § 1950.6(c).) A landlord must also provide the applicant with a receipt for the fee paid by the applicant that itemizes the out-of-pocket expenses and time spent by the landlord or their agent to obtain and process the information. (Civ. Code § 1950.6(d).) If the landlord collects the fee but does not ultimately perform a personal reference check or obtain a consumer credit report for which the fee was ostensibly collected, the landlord must return any amount of the application screening fee that was not used. (Civ. Code § 1950.6(e).) Lastly, the applicant who paid the fee has a right to request and receive from the landlord a copy of the consumer credit report that the landlord obtained with the fee. (Civ. Code § 1950.6(f).)

In 2022, the Legislature enacted a bill to provide for a way in which tenants could use reusable tenant screening reports, which is a document that tenants pay for once and can then submit to multiple landlords as part of a rental application. (AB 2559 (Ward), Ch. 288, Stats. 2022.) AB 2559 was not meant to mandate that landlords accept tenant screening reports, just specify the contents of such reports and the limitations if a landlord does accept such reusable reports. Reusable tenant reports must be prepared within the previous 30 days by a consumer reporting agency at the request of the applicant; must be made directly available to the landlord or provided through a third-party website that engages in the business of providing reusable tenant screening reports; and must be made available to the landlord at no cost to the landlord. (Civ. Code § 1950.1(e)(6).) Reusable screening reports must include the applicant's last known address, results of an eviction history check, contact information for the applicant, and verification of the applicant's employment. (Civ. Code § 1950.1(a).) Typically, these reusable screening reports are compiled and provided to landlords through websites that package the product to tenants and landlords looking to more efficiently apply for housing or vet applicants.

If a landlord elects to accept reusable tenant screening reports, the landlord cannot charge the applicant a fee for the landlord to access the report, or an application screening fee.

#### 4. AB 2493 aims to limit bad actors who extract application fees from people in need of housing

AB 2493 reworks the provisions related to applicant screening fees. It first eliminates the exception for when an applicant agrees in writing to waive the provision prohibiting a landlord from charging a fee when they know or should have known that no rental unit is available or will be available within a reasonable period of time. Thus, it converts the

provision into a flat prohibition. A landlord will simply be outright prohibited from charging an applicant screening fee when they know or should know that no rental unit is available or will be available within a reasonable period of time.

Second, AB 2493 specifies a process through which a landlord may charge an applicant screening fee. To be able to charge an applicant screening fee, the landlord must do one of the following: provide a specific application screening process; allow the applicant to use a reusable screening platform; or use an application screening process in which the landlord returns the entire screening fee to any applicant who is not selected for tenancy. If the landlord chooses to utilize an application process in which they will return a screening fee to an applicant not selected, the landlord must do so within the sooner of seven days of selecting an applicant, or within 30 days of when the application was submitted. If a landlord allows the applicant to use a reusable screening platform, they may also require additional application information from the applicant or obtain additional reference checks and consumer reports beyond those included in the screening service, as long as no additional fee is required of the applicant other than the fee for the reusable screening platform.

If the landlord elects to follow the first option and charge an applicant screening fee, AB 2493 spells out the specific application screening process that must be followed. This process requires that a landlord: establish screening criteria that are provided to applicants; consider applications in the order in which they are received; select the first applicant who meets the landlord's established screening criteria; and charge applicants the application screening fee only if their application is actually considered. AB 2493 specifies that, if an applicant is inadvertently charged a fee when they are not considered because of concurrent application submissions, the charge would not constitute a violation of this process as long as the fee is refunded within seven days or applied to another application. A landlord may nonetheless keep any fee charged to an applicant who, after consideration, does not meet the landlord's screening criteria.

Lastly, AB 2493 clarifies the current provision that a landlord must provide an applicant a copy of the consumer credit report obtained through the application screening fee, when requested by the applicant. It revises the provision to provide a specific timeline for the providing the report, and to make it mandatory that the landlord provide a copy of the report. No longer must the landlord only provide the report at the request of the applicant; instead, they must always provide a copy if an application screening fee has been paid. It further specifies that a landlord must provide the report within seven days of when the landlord or their agent received the report, and that the landlord must provide it by personal delivery, mail, or email.

Through this process, AB 2493 specifies the protections that must be in place, and the process that must be followed, if a landlord elects to charge an applicant an application screening fee. The various methods are designed to ensure that applicants who pay a screening fee will actually be considered, or will be able to utilize the results of the screening to apply to multiple offerings through a reusable screening platform. AB 2493



also does not prevent landlords from following whatever otherwise lawful process they wish if they choose not to charge an application screening fee.

#### 5. AB 2493 would be enforced through the courts

AB 2493's provisions do not provide a specific enforcement mechanism for housing applicants or an agency to ensure that landlords comply with its requirements. However, if a landlord fails to follow AB 2493's provisions, a tenant could nonetheless potentially pursue any action otherwise currently available in law, including through the Unfair Competition Law or through contract law.

#### 6. Amendments

In order to confirm the bill's provisions with the provisions of Civil Code Section 1950.1 relating to reusable screening reports, the author has agreed to take amendments to remove the provisions relating to a reusable screening platform. A full mock-up of those amendments are attached at the end of this analysis.<sup>12</sup>

#### 7. Arguments in support

According to Communities Organized for Relational Power in Action, which is the sponsor of AB 2493:

While we support these incremental changes, ultimately, we want to see rental application fees eliminated entirely. Without any provision for enforcement by a government agency, recourse to tenants is limited to civil litigation. Many tenants will not have the time, energy, or capacity to go to court to recover these fees. Most tenants are so rent burdened they lack the resources to hire an attorney and are unaware of their rights under California rental laws. We support AB 2493 with the understanding that this is a key step in achieving our goal of eliminating fees altogether.

We have heard numerous stories about predatory practices around rental application fees. The following is one which seems to be the rule rather than the exception: Santa Cruz resident Elizabeth Cortez relates that during the COVID pandemic the owner of the rental she and her family were residing at the time decided to sell the home and gave her notice. In looking for another rental unit, she and her husband applied for numerous units. With an application needed for each adult in the family and at a fee of anywhere from \$30 - \$60 dollars per application, it cost her family over \$2000 in application fees alone. She was either turned down or not contacted for many of the units she applied for, nor were any of those fees returned, as the law requires. In one case, her family paid more than nine application fees for three units managed by the same company even though

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<sup>12</sup> The amendments may be subject to minor, non-substantive changes required by Legislative Counsel.

the company only needed one background and credit check for the family. The application fees expended left little for move-in costs, and she had to depend on personal loans from family and friends when her family was finally approved for a new rental unit.

In tight rental markets like Santa Cruz County, COPA has tenant members who have spent hundreds and even thousands of dollars in application fees when searching for an apartment or house to rent. We've heard other stories of people being charged an application fee just to have their name entered on a waiting list even where there is no unit available. A landlord or property management company can collect thousands of dollars for one rental listing, just by listing a unit and keeping it listed for as long as they like. There is evidence that they do not do credit checks on all the applicants, but only the top few candidates. While current California law requires a limit on the amount that can be charged (\$59.67 currently) and requires the property owner to return the application fee if not used, the reality is that applicants are often charged more than the limit and unsuccessful applicants are not aware they have the right to a refund of the application fees. Another COPA leader relayed her experience with a unit in the Beach Flats neighborhood (with a monthly rent of \$3000) in which the application fee was \$200 for each of the adult members of a family. They did not apply, despite being able to afford the monthly rent. For those living paycheck to paycheck, an extra \$600 in fees is predatory, and too much to risk for the low probability of being approved for the rental.

#### 8. Arguments in opposition

According to the California Association of Realtors, which is opposed to AB 2493:

However, major amendments incorporated into the bill on May 16, 2024 drastically change the bill, harming small housing providers across the state. It is our understanding that these major amendments were incorporated into the bill to satisfy large corporate landlords at the expense of small housing providers, who are often seniors and individuals and families of color.

#### SUPPORT

Communities Organized for Relational Power in Action (sponsor)  
American Federation of State, County, and Municipal Employees  
AIDS Healthcare Foundation

#### OPPOSITION

California Association of Realtors

**RELATED LEGISLATION**

Pending Legislation: AB 2785 (Wilson, 2024) would require a landlord to accept a reusable tenant screening report if an applicant elects to provide a reusable tenant screening report, allow a landlord to charge a fee if an applicant does not use a reusable tenant screening report, and would require a landlord to return an application fee if the applicant is not selected for tenancy or if the fee collected exceeds a specified amount. AB 2785 is currently on the inactive file in the Assembly.

Prior Legislation:

AB 485 (Davies, 2023) would have required that, if an applicant for a residential rental paid an application screening fee and requests a copy of the consumer credit report obtained through that fee, the landlord must provide a copy of the consumer credit report within 24 hours. AB 485 died in the Assembly Judiciary Committee.

AB 2559 (Ward, Ch. 288, Stats. 2022) created a program in which landlord may accept a “reusable screening report” from an applicant for a rental unit for evaluating the potential tenant, if the screening report includes certain information, and specified that a landlord who accepts a reusable screening report may not charge the applicant an application screening fee or fee for the report.

SB 1335 (Eggman, 2022) would have prohibited a landlord from using a person’s credit history in the application process for a rental involving a rent subsidy unless the landlord offers the applicant the option of providing alternative evidence of financial responsibility and ability to pay. SB 1335 died in the Assembly Housing and Community Development Committee.

AB 2527 (Quirk-Silva, 2022) would have prohibited a property owner from requiring a consumer credit report as part of the application process for rental housing in which the unit or the applicant receives a government rent subsidy. AB 2203 died on the Assembly floor.

AB 2203 (Luz Rivas, 2022) would have prohibited landlords from relying on a consumer credit report in deciding whether to rent to a prospective tenant, and would have prohibited a landlord from asking applicants to ask questions related to their credit reports. AB 2527 died in the Assembly Housing and Community Development Committee.

**PRIOR VOTES:**

Assembly Floor (Ayes 59, Noes 8)  
Assembly Judiciary Committee (Ayes 8, Noes 0)

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**PROPOSED AMENDMENTS TO AB 2493**

**SECTION 1.**

Section 1950.6 of the Civil Code is amended to read:

**1950.6.**

(a) Notwithstanding Section 1950.5, when a landlord or their agent receives a request to rent a residential property from an applicant, the landlord or their agent may charge, pursuant to subdivision (c), that applicant an application screening fee to cover the costs of obtaining information about the applicant. The information requested and obtained by the landlord or their agent may include, but is not limited to, personal reference checks and consumer credit reports produced by consumer credit reporting agencies as defined in Section 1785.3. A landlord or their agent may, but is not required to, accept and rely upon a consumer credit report presented by an applicant.

(b) The amount of the application screening fee shall not be greater than the actual out-of-pocket costs of gathering information concerning the applicant, including, but not limited to, the cost of using a tenant screening service or a consumer credit reporting service, and the reasonable value of time spent by the landlord or their agent in obtaining information on the applicant. In no case shall the amount of the application screening fee charged by the landlord or their agent be greater than thirty dollars (\$30) per applicant. The thirty dollar (\$30) application screening fee may be adjusted annually by the landlord or their agent commensurate with an increase in the Consumer Price Index, beginning on January 1, 1998.

(c) (1) A landlord or their agent shall not charge an applicant an application screening fee when they know or should have known that no rental unit is available at that time or will be available within a reasonable period of time.

(2) A landlord or their agent may charge an applicant an application screening fee only if the landlord or their agent, at the time the application screening fee is collected, offers any of the following:

(A) An application screening process that complies with all of the following:

(i) Completed applications are considered, as provided for in the landlord's established screening criteria, in the order in which the completed applications were received. The landlord's screening criteria shall be provided to the applicant in writing together with the application form.

(ii) The first applicant who meets the landlord's established screening criteria is approved for tenancy.

(iii) Applicants are not charged an application screening fee unless or until their application is actually considered.

(iv) Clause (iii) shall not be considered violated if a landlord or their agent inadvertently collects an application screening fee from an applicant as the result of multiple concurrent application submissions, provided that the landlord or their agent issues a refund of the application screening fee within 7 days to any applicant whose application is not considered. The landlord may offer, as an alternative to refunding the

screening fee, the option, at the applicant's discretion, for the screening fee paid by the applicant to be applied to an application for another rental unit offered by the landlord. A landlord or their agent shall not be required to refund an application screening fee to an applicant whose application is denied, after consideration, because the applicant does not meet the landlord's established screening criteria.

~~(B) The ability for an applicant to apply using a reusable screening platform. As used in this subparagraph, a "reusable screening platform" means a service that allows an applicant to pay one fee that entitles the applicant to submit 10 or more applications within a period of not less than 30 days for rental units offered by participating landlords for no additional cost. A landlord who participates in a reusable screening platform may, in their discretion, require additional application information and obtain additional reference checks and consumer reports beyond those included in the reusable screening platform service, provided that no additional fee is required of the applicant.~~

~~(B)~~~~(C)~~ An application screening process in which the landlord or their agent returns the entire screening fee to any applicant who is not selected for tenancy, regardless of the reason, within 7 days of selecting an applicant for tenancy or 30 days of when the application was submitted, whichever occurs first.

(d) The landlord or their agent shall provide, personally, or by mail, the applicant with a receipt for the fee paid by the applicant, which receipt shall itemize the out-of-pocket expenses and time spent by the landlord or their agent to obtain and process the information about the applicant. The landlord or their agent and the applicant may agree to have the landlord provide a copy of the receipt for the fee paid by the applicant to an email account provided by the applicant.

(e) If the landlord or their agent does not perform a personal reference check or does not obtain a consumer credit report, the landlord or their agent shall return any amount of the screening fee that is not used for the purposes authorized by this section to the applicant.

(f) If an application screening fee has been paid by the applicant, the landlord or their agent shall provide a copy of the consumer credit report to the applicant who is the subject of that report by personal delivery, mail, or email within 7 days of the landlord or their agent receiving the report.

(g) Nothing in this section prevents a landlord from accepting a reusable screening report pursuant to Section 1950.1.

~~(g)~~(h) As used in this section, "landlord" means an owner of residential rental property.

~~(h)~~(i) As used in this section, "application screening fee" means any nonrefundable payment of money charged by a landlord or their agent to an applicant, the purpose of which is to purchase a consumer credit report and to validate, review, or otherwise process an application for the rent or lease of residential rental property.

~~(i)~~(j) As used in this section, "applicant" means any entity or individual who makes a request to a landlord or their agent to rent a residential housing unit, or an entity or individual who agrees to act as a guarantor or cosignor on a rental agreement.

~~(j)~~(k) The application screening fee shall not be considered an "advance fee" as that term is used in Section 10026 of the Business and Professions Code, and shall not be considered "security" as that term is used in Section 1950.5.

~~(e)~~(l) This section is not intended to preempt any provisions or regulations that govern the collection of deposits and fees under federal or state housing assistance programs.