



CALIFORNIA ASSOCIATION OF REALTORS®

LEGISLATIVE PROGRAM 2007-2008

April 22, 2008

In the 2007-2008 legislative session, C.A.R. will be pursuing a legislative agenda that incorporates not only sponsored bills, but also the pursuit of "targets of opportunity" or amendments to advance our policy goals in pending legislation. In addition to these "targets of opportunity" legislation of others will be amended to (for example) ensure that: "smart growth" does not mean no growth; environmental issues do not impair the rights of property owners; tenants' rights legislation includes recognition of property owners' rights; risk management gains of recent years are preserved; and unreasonable burdens on housing are avoided.

** Please see the final page of the Legislative Program for a comprehensive explanation of C.A.R.'s policy positions taken on legislation discussed in this document.

C.A.R.-SPONSORED LEGISLATION 2008

AB 2259 (Mullin) Ownership Rights in a Common Interest Development (CID) - Over the last few years, C.A.R. members noticed a trend among some homeowner associations to adopt restrictions that limit the number of dwellings that can be rented by unit owners, whether by raw numbers or percentages of owner-occupied versus renter-occupied units. The imposition of rental restrictions diminishes an owner's property rights. C.A.R. argues that property owners should enjoy the same right to rent or lease their unit that existed at the time the CID unit was purchased. C.A.R. is sponsoring AB 2259 to protect just such a right if it existed at the time the owner purchased the unit. The bill was passed by the Assembly Housing Committee on a 5-0 vote and will be heard on April 22nd in the Assembly Judiciary Committee.

Status: Assembly Judiciary Committee

AB 2363 (Ma) Megan's Law - "Just Cause Evictions" under Megan's Law - Municipalities with eviction controls only permit landlords to terminate a tenancy for a "just cause." Under these ordinances, the landlord must state, and potentially prove in court, a valid reason for terminating a tenancy which generally includes: non-payment of rent, illegal activity or holdovers, property damage, owner move-in, or the removal of units from the rental market. In February, C.A.R. introduced legislation to require local jurisdictions with a "just cause eviction" ordinance to permit landlords to terminate a tenancy of a registered sex offender if necessary to protect a person at risk, as is permitted in existing state law. With aggressive opposition in Assembly Judiciary Committee, C.A.R. chose to amend AB 2363 to require the Sex Offender Management Board to conduct a study on the availability of rental housing for sex offenders and to analyze what impact making registration as a sex offender a basis upon which to terminate a tenancy would have on public safety.

Status: Assembly Floor

SB 1054 (Machado) Mortgage Loan Broker Disclosures - As the lending function has become increasingly complicated and the subject of disputes, calls for more supervision or separation of the lending function from the rest of the real estate license have increased. Legislative pressure for reform continues to increase, aggravated by fears of increased defaults among non-traditional

mortgages. Upon recommendation of the Mortgage Broker Task Force, this C.A.R. sponsored legislation requires a prominent disclosure to all parties whenever a licensee represents a buyer and originates a loan in a "1-4" transaction. This legislation will help to alleviate the perceived conflict created by the loan originator's obligation to ensure that the loan application is accurate and adequately underwritten, and his or her natural inclination to press for closure of the transaction.

Status: Senate Business, Professions and Economic Development Committee

C.A.R.-SPONSORED LEGISLATION 2007

AB 980 (Calderon) Disclosure of Already Imposed Private Transfer Taxes - This bill requires that a stand alone document on the private transfer tax (PTT) be recorded to become part of the title record, as well as a separate seller provided disclosure to potential home buyers as to whether the home they are considering purchasing requires the payment of a private transfer tax, the percentage of the home price constituting the PTT, the duration of the payment obligation, and the purpose for which the funds from the fee will be used. If the stand alone PTT document is not recorded, the buyer will not have to pay the PTT.

Status: Signed by the Governor on October 14, 2007 (Chapter 689, Statutes of 2007)

AB 1366 (Portantino) Housing Impact Statement Requirements for Local Land Use Decisions - This bill proposes to strengthen the annual housing element reporting process that governs local housing actions and provide a reporting structure that will better assist local governments' focus on the regional impact of their housing decisions. The measure also encourages local agencies to include more specific planning descriptions in an order to meet the localities share of its regional housing need. The additional information will assist in identifying those jurisdictions that meet or exceed their regional housing goals, which will in turn enhance the Department of Housing and Community Development's (HCD) ability to evaluate regional housing production. C.A.R. is working with HCD to identify financial rewards that might be amended into AB 1366 to encourage local jurisdictions to be more aggressive in meeting their regional housing goals.

Status: Senate Transportation and Housing Committee

SB 226 (Negrete McLeod) "Degree Broker" Requirements - Current law provides that the Real Estate Commissioner may grant a brokers license to an applicant without real estate experience if the applicant has a degree from a 4-year college or university with a "specialization in real estate." SB 226 will require the DRE to clarify what a "specialization" in real estate really means. This bill will not change the other mechanisms for demonstrating equivalency such as a petition by a licensee from another state for recognition of his or her experience. Additionally, SB 226 will empower the Commissioner to require a licensee to display his or her license number on "consumer first contact materials" which include: business cards, stationary, advertising fliers, and other materials designed to solicit a professional relationship. However, this additional authority is limited and may not be applied to "for sale" signs or advertisements that appear either in print or electronic media.

Status: Vetoes by the Governor on October 15, 2007

SB 343 (Negrete McLeod) Housing Project Application: Pre-Hearing Availability of Staff Reports - Many local governments direct their staff to prepare reports concerning issues pending before a city council, local board or commission. Until the passage of C.A.R.'s SB 343, local governments were not required to make these reports available to an "applicant" or the public in advance of a hearing or meeting where the application or request for action is scheduled to be reviewed by the local legislative body, except by specific request. SB 343 amended the Brown

Act to require any writing that qualifies as a public document which is provided to at least a majority of the members of a local legislative body within 72 hours of a noticed open public meeting, to also be made available to the public at a designated location of the local agency at the same time, as well as by way of the internet, if such capacity exists.

Status: Signed by the Governor on October 5, 2007 (Chapter 298, Statutes of 2007)

SB 670 (Correa) Private Transfer Tax Prohibition - "Private" transfer taxes (PTT's) are increasingly being used to settle disputes between builders and "no growth" advocates or, in the alternative, by builders to proactively avoid a lawsuit or to smooth development negotiations with the local government. Typically, in return for an agreement by an opponent of the development to not pursue a lawsuit, the builder agrees to impose one or more PTTs through a covenant included in the covenants, conditions and restrictions. These PTTs have totaled as much as 1.75 percent of the purchase price of a home and must be paid for 20 to 25 years or, even, in perpetuity. These taxes must be paid by the first buyer and every subsequent buyer each time the home is sold. SB 670, initially a prohibition, would now impose restrictions, requirements and oversight on the imposition of PTTs.

Status: Stalled in the Senate Transportation and Housing Committee

OTHER BILLS OF INTEREST:

Transactional Issues-- Broker Practice and Risk Management

AB 840 (Emmerson) Real Estate Licensees - Existing law authorizes the Real Estate Commissioner to suspend, revoke or deny the issuance of a real estate license to a person who is convicted of a felony or a crime involving moral turpitude. AB 840 instead authorizes the commissioner to suspend, revoke or deny a license if the Department of Real Estate finds that a conviction is "substantially related" to the qualifications, functions or duties of a real estate licensee. C.A.R. supported AB 840 because it provides an important clarification of the regulatory authority of the department.

Position: Support

Status: Signed by the Governor on July 27, 2007 (Chapter 140, Statutes of 2007)

AB 941 (Torrice) Real Property Loan Disclosures - This bill would have required the Department of Real Estate (DRE) to review the real property transaction disclosure process and to make recommendations on state-required real property transfer documents in order to ensure a consumer's ability to understand the terms of the transaction. AB 941 required DRE to complete a draft report, accept written comments on the draft report and provide the final report to the Legislature by January 1, 2009. C.A.R. opposed AB 941 because it was too broad and should have been more precisely targeted; also, the study did not include private sector "stakeholders," like C.A.R., that provide some of the most important disclosures in a transaction. The bill was amended in early September to address an unrelated topic and, thus, C.A.R. removed its opposition.

Position: Drop

Status: Died on the Senate Floor Due to Amendment

AB 1020 (S. Runner) Recordation of a Change in Ownership - This bill authorizes governmental entities to record "digital" documents in the same way that they can now record "digitized" documents. C.A.R. offered amendments, which were not accepted, to allow private submitters to also record digital documents and offered to support the bill if amended.

Position: Watch as Amended

Status: Signed by the Governor on October 5, 2007 (Chapter 277, Statutes of 2007)

AB 1168 (Jones) Social Security Numbers - AB 1168 requires the Franchise Tax Board to remove the first five digits of a Social Security number on lien abstracts and any other records created by the board that are disclosable under the California Public Records Act prior to disclosing the record to the public. C.A.R. opposed the bill until it was amended to ensure that real property records remain accessible to the public and that unnecessary additional costs are not imposed on the recording of documents.

Position: Watch as Amended

Status: Signed by the Governor on October 13, 2007 (Chapter 627, Statutes of 2007)

AB 1234 (Wolk) Furnace Replacement at Sale - As introduced, AB 1234 would have required homeowners to replace their "old" gas floor furnace when they sold their property. C.A.R.'s opposition to this bill was due to this point-of-sale mechanism for upgrading older floor heaters because the requirement should be placed on all homeowners, not just those involved in a sale. C.A.R. achieved amendments removing the point-of-sale requirement for the heater upgrades. As amended, AB 1234 required all floor heaters be upgraded by January 1, 2014.

Position: Watch as Amended

Status: Died in the Assembly Appropriations Committee

AB 1356 (Houston) Agents of Equity Purchasers - Existing law effectively (and inappropriately) precludes legitimate agents from representing investor purchasers of properties that are in foreclosure because it requires buyers' agents to purchase a bond for twice the value of the property. These bonds are not available. This bill will allow an alternate means of demonstrating financial responsibility that includes maintaining E&O insurance, with coverage up to \$1 million, and certifying that the licensee is in good standing with the DRE. The California Supreme Court has recently refused the appeal of *Schwitzer vs. Westminster Inv.* which overturned the bond requirement.

Position: Support

Status: Senate Judiciary Committee

AB 2105 (DeSaulnier) Elder Abuse Reporting – The Elder Abuse and Dependent Adult Civil Protection Act established procedures for the reporting, investigation, and prosecution of elder and dependent adult abuse. These procedures require persons, defined as "mandated reporters," to report known or suspected instances of elder or dependent adult abuse. Under current law, only care custodians of dependent adults, local law enforcement agencies and some financial institutions are classified as mandated reporters. AB 2105 would expand the category of mandated reporters for financial abuse to include both real estate brokers and residential mortgage lenders. C.A.R. opposes AB 2105 because real estate licensees engage in a broad array of customer services within the scope of their licensed activities and it would be impossible for them to reasonably comply with the mandates of this bill without massive over reporting. C.A.R. has suggested amendments that would, instead of a mandate, create a safe harbor for confidential, voluntary reports, and encourage education efforts publicizing the ability to make a confidential report without liability.

Position: Oppose

Status: Assembly Public Safety Committee

AB 2204 (De La Torre) Real Property Discriminatory Restrictions - Existing law voids any provision in a deed of real property that restricts the right of a person to sell, lease, rent, use, or occupy the property based on race, color, religion, sex, marital status, national origin, ancestry, familial status, disability, source of income, or sexual orientation. This bill would require a title insurance company that provides any document during the transfer of real property to strike any

evidence of the aforementioned property restrictions from the deed or other instrument prior to the transfer of the property. C.A.R. will oppose AB 2204 until it is amended to utilize existing mechanisms and avoid burdening transactions with inappropriate costs and to avoid imposing impossible tasks on title and escrow providers.

Position: Oppose Unless Amended
Status: Assembly Judiciary Committee

AB 2733 (Brownley) Environmental Hazard Disclosure Report- This measure would require an additional disclosure report of environmental hazard sites located within a one-quarter mile radius, the zip code or the city of the home upon transfer of the property. C.A.R. opposes AB 2733 because it will require the purchase of an additional, and unnecessary, disclosure of local environment hazard sites during a home transaction, resulting in a dilution in the value of existing disclosures and add unknown costs to the transaction. C.A.R. has offered an alternate approach using the environmental hazards booklet and/or local option disclosure form.

Position: Oppose
Status: Assembly Business and Professions Committee

AB 2880 (Wolk) Mortgage Finance – This bill attempts to create new regulatory restrictions for mortgage loan originators by requiring real estate brokers to carry a bond ranging from \$100,000 to \$500,000 based upon their volume of business. AB 2880 provides for a one year ban on communication, after consummation of the loan, of any direct marketing to the borrower to refinance that consumer loan. C.A.R. opposes AB 2880 because it creates an impossibly ambiguous standard for licensees to abide by, and inappropriately limits subsequent ability to help borrowers re-finance loans when their circumstances improve. Additionally, C.A.R. opposes the bill's imposition of a bond requirement upon mortgage brokers because they are of limited utility and very costly.

Position: Oppose Unless Amended
Status: Assembly Judiciary Committee

SB 127 (Kuehl) Property Transfer Disclosures - As introduced, this bill would have required all transactional disclosure documents to be delivered within three days of the "execution" of an offer to purchase. As amended, this measure would require all transactional disclosure documents to be delivered within ten days of the "execution" (by which the author means acceptance) of an offer to purchase. C.A.R. originally opposed SB 127 because it would have imposed a "one size fits all" time frame which would make compliance difficult for many transactions, and would not have allowed time frames to be negotiated. C.A.R. was successful in obtaining amendments that allow both parties to the transaction to agree to change, in writing, the time period for delivering transaction disclosures. With this amendment, C.A.R. had removed its opposition. Recent amendments to the bill, however, have renewed C.A.R.'s opposition. As amended, SB 127 requires a separate document when both parties to the real estate contract negotiate for a disclosure delivery time longer than ten days and would not allow the agreement to be contained within a single contract or deposit receipt. C.A.R. opposes the bill because it would create unnecessary compliance burdens. C.A.R. has received a commitment that the bill will be amended to remove the separate document requirement.

Position: Oppose Unless Amended
Status: Assembly Floor

SB 328 (Corbett) Personal Information - Existing law requires all businesses to protect the privacy of a customer's personal information, and to notify all individuals whose privacy may be affected by a breach of their security system. Businesses are further required to maintain reasonable security procedures to protect personal information from unauthorized access, destruction, use, modification, or disclosure. SB 328 would prohibit any person from engaging in

“pretexting” - obtaining, or attempting to obtain, personal information contained in business records by making false, fictitious, or fraudulent statements or representations in order to obtain another individual's personal information. Intentional violations of this provision will entitle an individual to recover a civil penalty up to \$3,000, while inadvertent violations will be subject to a \$500 penalty. C.A.R. sought amendments to exclude inadvertent violations from the civil penalties provided in this bill.

Position: Watch as Amended

Status: Assembly Banking and Finance Committee

SB 385 (Machado) Real Estate Mortgages - The Real Estate Law allows the Department of Real Estate (DRE) to regulate mortgage loan brokers. This bill allows DRE to regulate licensees making loans, even when they act as principals. It also requires all financing regulators, including DRE, to apply federal guidelines regarding nontraditional mortgages. C.A.R. opposed SB 385 until it was amended to limit Department of Real Estate inquiries about “specialized” licensee activities unless those inquiries are related to mortgage brokerage.

Position: Watch as Amended

Status: Signed by the Governor on October 5, 2007 (Chapter 301, Statutes of 2007)

SB 1053 (Machado) Mortgage Broker Regulation – Existing law provides for the licensure and regulation of real estate licensees. SB 1053 requires real estate licensees acting as mortgage brokers to notify The Department of Real Estate (DRE), in writing, upon commencing or discontinuing that activity. Failure to provide written notice would result in a compounding monetary penalty. The bill authorizes the commissioner to inspect and audit the business documents and records of a mortgage broker. Beginning January 1, 2010, real estate brokers servicing eight or more residential loans in a calendar year would be required to file reports annually with the DRE that include a review of compliance and a review of trust fund financial statements by a licensed independent public accountant. Finally, the SB 1053 would require brokers to keep all documents and records related to a loan transaction for 3 years. C.A.R. supports SB 1053 because it seeks to improve the supervision of mortgage brokers.

Position: Support

Status: Senate Banking, Finance and Insurance Committee

SB 1399 (Simitian and McClintock) Solar Shading - This bill would require property owners opting to install a solar collector to deliver, by certified mail, a state mandated written notice to adjoining property owners of their intent to utilize or restrict solar access. SB 1399 also requires the property owner who delivers the notice, along with those properties that received the notice, to provide a copy of the solar collector installation notice to subsequent purchasers of the properties, thus making the notice a material fact. C.A.R. will oppose this bill until it is amended to instead require that the notice for installation be recorded against the property so as to avoid occurrences of non-disclosure and assure that the notice is picked up in the title report during a transaction.

Position: Oppose Unless Amended

Status: Senate Energy, Utilities and Communications Committee

SB 1448 (Scott) Real Estate Commissioner Citations – As introduced, SB 1448 would have authorized the Department of Real Estate (DRE) to issue citations containing a maximum fine of \$5,000 or an order of abatement to unlicensed individuals acting as a real estate licensee. C.A.R. supports the bill's recent amendments that increase the existing penalties and fines to be sought by district attorney's when unlicensed practice occurs and to require a mandatory disclosure of real estate license numbers on consumer “first contact” materials.

Position: Support

Status: Senate Appropriations Committee

SB 1461 (Negrete McLeod) Real Estate Licensees – SB 1461 would require a real estate licensee to display his or her license number on real property purchase agreements and “consumer first contact materials” which include: business cards, stationary, advertising fliers, and other materials designed to solicit a professional relationship; however, the bill does not apply to classified rental advertisements. This bill would become effective on July 1, 2009. C.A.R. is seeking amendments to exempt “for sale” signs and advertisements that appear either in print or electronic media from the definition of “consumer first contact materials.”

Position: Support if Amended

Status: Senate Business, Professions and Economic Development Committee

SB 1490 (Padilla) Independent Contractor Agreements – This bill would require employers of independent contractors to provide a notice making clear that they have been hired as an independent contractor, and to include in that notice a statement explaining the impact that status has on his or her tax obligations and eligibility for labor and employment protections. SB 1490 also requires employers to maintain a minimum of 2 years of records; failure to maintain these records would be subject to a penalty of \$500. Finally, the bill makes it a misdemeanor if an employer neglects or refuses to comply with the provisions of the bill. C.A.R. will oppose SB 1490 until it is amended to exempt real estate licensees and leave the independent contractor status for real estate licensees within the jurisdiction of the Department of Real Estate.

Position: Oppose Unless Amended

Status: Senate Appropriations Committee

SB 1775 (R. Calderon) Dog Fighting Forfeitures - Upon the conviction of a defendant who sponsored dogfighting, SB 1775 requires that any real property used to promote or facilitate dogfighting activities be forfeited, and would include in those forfeitures, those properties whose owners allowed their premises to be used for the support of dogfighting events. C.A.R. was concerned with the broad language of the new forfeiture rule, and believed it could have inadvertently swept up innocent property owners. C.A.R. has obtained amendments to ensure that property owners are protected unless they had “knowingly” allowed their property to be used for the illegal activity, instead of allowing forfeiture just because he or she had rented the property to someone who was involved in the illegal act of dogfighting.

Position: Oppose

Status: Senate Public Safety Committee

Housing and Property Management

AB 35 (Ruskin) Mandatory Green Building Standards on Private Property - AB 35 was “gutted” and amended in July 2007 to require every state owned property, and property leased by the state, that is remodeled after June 30, 2010, to comply with “green building standards” in accordance with the United States Green Building Council’s Leadership in Energy and Environmental Design’s (LEED) gold rating. C.A.R. opposed the bill because it is unrealistic to compel commercial property owners, which lease 15 million square feet of office space and 5.1 million square feet of storage space to the Department of General Services, to comply with these standards when it may not be feasible to bring buildings up to LEED standards due to their age and the cost of the renovation. AB 35 would have forced the state to vacate buildings ideally suited for state business thus increasing costs to California taxpayers and hurting private property owners. C.A.R. obtained amendments to remove the green building mandate on renovations to private property leased to the state; the bill now only applies to state owned buildings and new construction.

Position: Watch as Amended

Status: Vetoes by the Governor on October 14, 2007

AB 410 (Adams) Unclaimed Property - Existing law permits landlords to dispose of any abandoned property left on the premises after a tenant has vacated the property provided the landlord believes that the total resale value of that property is less than \$300. AB 410 proposes to increase this amount to \$500. C.A.R. supports this measure because the original \$300 threshold was set in 1982, and it is necessary that the state adjust that amount to better reflect today's economic realities. The process for disposing of unclaimed property that may be only slightly in excess of \$300 results in a time consuming, long and costly process.

Position: Support

Status: Senate Judiciary Committee

AB 414 (Jones) Double-Zoned Sites – Current law permits local agencies to meet their housing element requirements by relying on sites that are zoned primarily for commercial development, but are also authorized for residential use. AB 414 proposes to prevent these “double-zoned” sites from being used to accommodate a city's or county's share of the Regional Housing Needs Allocation. It would have permitted them to count no more than 50% of the total units for a “double-zoned” site towards the jurisdiction's lower-income housing needs. C.A.R. supported AB 414 because it would have discouraged local agencies from an unrestricted use of double-zoned sites to meet their share of the regional housing need. Furthermore, the bill encouraged affordable housing development.

Position: Support

Status: Vetoes by the Governor on October 13, 2007

AB 481 (Tran) Unlawful Detainer - This bill would have required tenants who asserted habitability violations as an affirmative defense in their answer to an unlawful detainer action to state whether they had previously notified the landlord about the alleged substandard condition. Additionally, this bill would have required tenants to state under the penalty of perjury that rent money has been set aside and is available for the payment of past due rent. C.A.R. supported AB 481 because landlords are often unaware of an alleged habitability violation until they receive the answer to the unlawful detainer action. This measure would have prevented unlawful detainer delays by stopping tenants from “gaming the system” by using a groundless defense of habitability, and would have reduced costly delays to landlords attempting to regain possession of their property.

Position: Support

Status: Died in the Assembly Judiciary Committee

AB 512 (Lieber) Contracts - Existing law requires landlords and property managers to provide translated copies of rental agreements and leases to tenants if negotiations were conducted in Spanish, Chinese, Tagalog, Vietnamese, or Korean. This bill would have required anyone that negotiates designated types of consumer contracts or agreements, in all languages other than English, to provide a translation of that contract to the buyer or seller in their primary language. The measure would have applied to all rental agreements and leases. C.A.R. opposed the bill because expanding this requirement to all languages would have placed an undue burden on landlords and property managers in California, where there are hundreds of languages and dialects spoken. Due to C.A.R.'s opposition, the author amended AB 512 to satisfy C.A.R.'s concerns by exempting rental agreements and leases from the scope of the bill. As currently written, the bill only compels residential mortgage lenders to translate certain contracts negotiated in one of the five languages mentioned above.

Position: Not Favor

Status: Senate Banking, Finance and Insurance Committee

AB 548 (Levine) Recycling Multifamily Dwellings - AB 548 would have required owners of multifamily dwellings to arrange onsite recycling services for their residents in rental properties with 5 or more units as of July 1, 2008. C.A.R. sought amendments to ensure that landlords and property managers did not accrue any additional liability and to assure that these properties did not have to be physically altered in order to comply with the bill. As amended, AB 548 required the owners of multifamily dwellings to arrange for appropriate recycling services that were consistent with their local ordinances. The bill still applied to rental properties with 5 or more units and would have become effective July 1, 2008. With these amendments, C.A.R. removed its opposition.

Position: Watch as Amended

Status: Vetoed by the Governor on October 14, 2007

AB 641 (Torrico) Developer Fees - A re-introduction of AB 2526, co-sponsored by C.A.R. in 2006, AB 641 defers local government development fees until occupancy permits are issued for housing developments with at least 49% of the total units reserved for occupancy by lower income households. C.A.R. supported AB 641 because it will enhance the financial feasibility of constructing affordable housing.

Position: Support

Status: Signed by the Governor on October 13, 2007 (Chapter 603, Statutes of 2007)

AB 691 (Silva) Certified Common Interest Development Managers - AB 691 would extend the sunset date for the voluntary certification program for professional common interest development (CID) managers until January 1, 2012. This program is currently set to expire January 1, 2008. Additionally, this bill would further the education of CID managers by including "conflict avoidance resolution" courses in the certification training. C.A.R. supported AB 691 because it provides professional enhancement for individuals serving as CID managers and does not burden real estate licensees.

Position: Support

Status: Signed by the Governor on September 26, 2007 (Chapter 236, Statutes of 2007)

AB 725 (Lieber) Universal Rental Application - This bill requires all rental housing providers who receive federal or state subsidies to utilize a universal rental application that will be developed by the Department of Housing and Community Development (HCD) for all prospective tenants beginning July 1, 2009. This bill does not preclude a rental housing provider from requesting additional "reasonable" information from prospective applicants. C.A.R. is seeking an amendment to require HCD to include material required in the C.A.R. Application for Rent/Screening Fee standard form in the universal rental application it develops. C.A.R. staff has been notified that this amendment is acceptable to the author and will be amended into the bill when it is heard in the Senate Judiciary Committee.

Position: Amend

Status: Senate Judiciary Committee

AB 763 (Saldana) Condominium Conversion Tenant Notifications - Existing law provides property owners with a specified process for appealing any action of the advisory agency with respect to a tentative map for the conversion of residential rental property to a condominium project. Appeals must be filed with the clerk of the appeals board within 10 days after the action of the advisory agency, and hearings must be held within 30 days of the request. As introduced, AB 763 would have instead required that this hearing be set within 30 days after the action of the advisory agency. C.A.R. opposed this bill because it would have served as a tool to further delay the process for condominium conversions. C.A.R. was successful in achieving amendments to AB 763 that addressed its concerns.

Position: Watch as Amended

Status: Signed by the Governor on October 13, 2007 (Chapter 612, Statutes of 2007)

AB 864 (Davis) New Ownership of Substandard Buildings - Existing law requires the transferor, in any sale or other transfer of property to a third party that occurs during the period between the issuance of a notice of violation relating to substandard buildings and the abatement of the violation, to record a Notice of Conveyance of Substandard Property with the county recorder within 5 days after the sale or transfer occurs. AB 864 would have created a point-of-sale mandate on purchasers of substandard properties to provide the local enforcement agency a plan of correction of the substandard conditions, including costs, financing, and a timeline for repairing the premises. C.A.R. opposed AB 864 because it discouraged investment and rehabilitation of substandard properties by placing vague and unreasonable burdens on purchasers that would have delayed sales transactions. C.A.R. achieved amendment in July 2007 to require that the plan of correction be provided 30 days after the close of escrow, instead of at the point-of-sale, and removed the criminal penalties from the bill. With these amendments, C.A.R. removed its opposition. AB 2925 has been introduced by Assemblyman Davis to again attempt to address the "substandard rental housing" issue, while meeting the veto concerns expressed by the Governor with AB 864.

Position: Watch as Amended

Status: Vetoed by the Governor on October 13, 2007

AB 952 (Mullin) Common Interest Development Assessments - As introduced, AB 952 would have prohibited a common interest development (CID) from imposing or increasing any assessment by more than 3% on low- or moderate-income units, unless those unit owners had voted to approve the increase in fees. C.A.R. opposed the bill because it would have required the market-rate unit owners to bear the increased assessment burden. In its latest version, AB 952 proposes to prevent a CID from imposing a regular assessment that exceeds 20 percent of the association's preceding year's regular assessment, or 5 percent of the association's gross expenses for special assessments, without first obtaining the approval of 50 percent plus one of the market rate unit owners, as well as the approval of a majority of the low- or moderate-income unit owners, thereby giving a small minority of owners veto power over the majority of unit owners. AB 952 would also require CIDs to offer interest free payment plans to all below market rate units provided that the assessments are paid within 12 months. C.A.R. opposes AB 952 because it could block significant maintenance and property improvement actions by a CID, as well as shift the financial burden of completing needed repairs to the market rate unit owners, thus negatively impacting property values in the CID. The Department of Real Estate also adopted an oppose position to AB 952 due to its prescribed assessment approval procedure. The author has decided not to pursue this legislation.

Position: Oppose

Status: Senate Floor Inactive File

AB 976 (Calderon) Housing Discrimination - AB 976 was introduced in response to an ordinance that was adopted and later abandoned in the City of Escondido which would have prohibited landlords from renting apartments to illegal immigrants. As introduced, this bill would have added citizenship and immigration status to the list of protected classes in the California Fair Employment and Housing Act (CalFEHA). C.A.R. opposed the bill because it would have created ambiguities within CalFEHA and placed new burdens upon landlords and their agents. The measure was amended in early 2007 to prohibit cities and counties from requiring that landlords or agents compile, disclose, report, provide, or otherwise take action regarding a tenant or prospective tenant's citizenship or immigration status. Additional amendments to AB 976 ensure that landlords have the right to request information to verify a tenant or prospective tenant's identity or financial qualifications. With these amendments, C.A.R. removed its opposition.

Position: Watch as Amended

Status: Signed by the Governor on October 10, 2007 (Chapter 403, Statutes of 2007)

AB 1013 (Krekorian) Nuisance Abatements - AB 1013 allows landlords and property managers to serve tenants with an unlawful detainer notice for creating a nuisance on the premises if the tenant illegally possesses weapons or ammunition. Additionally, this bill allows local prosecutors and city attorneys to serve the unlawful detainer action on behalf of the community on criminal tenants constituting a nuisance. AB 1013 is a pilot program in the cities of Los Angeles, Long Beach, Oakland, San Diego, and Sacramento. C.A.R. supports this measure because it provides an important tool for landlords, property managers, and the public safety community to rid neighborhoods of dangerous tenants who illegally possess weapons or ammunition. Law abiding tenants should not be forced to live in fear of their neighbors who illegally possess weapons or ammunition.

Position: Support

Status: Signed by the Governor on October 11, 2007 (Chapter 456, Statutes of 2007)

AB 1173 (Keene) Resident Utility Billing Services – This bill would require all newly constructed multi-family rental housing built after December 31, 2009 to have water submeters or individual meters. Additionally, if a landlord utilizes a Residential Utility Billing Service on properties that do not have a submeter on the individual apartment unit, AB 1173 requires the landlord to disclose the water billing procedures to tenants by identifying whether the allocation is based on square footage of the unit or number of bedrooms. Finally, the bill prohibits landlords from charging tenants for water usage in common areas of the property. C.A.R. supports shifting the burden of water use charges to individual tenants to encourage greater water conservation in apartment complexes and to legitimately allocate water use costs to users.

Position: Support

Status: Died in the Assembly Appropriations Committee

AB 1197 (Aghazarian) Housing for Sex Offenders - C.A.R. has long asserted that existing law provides that a person is authorized to use information disclosed pursuant to the Megan's Law database to protect a person at risk. If a landlord or agent discovers that a tenant or prospective tenant is a registered sex offender, they can refuse to rent to, or terminate the tenancy of, the registered sex offender to "protect persons at risk". Persons at risk could be other tenants, their guests, neighbors, or employees and agents of the landlord. AB 1197 would have created a rebuttable presumption for persons who deny or terminate the tenancy of individuals who are required to register as sex offenders that such action was taken to protect a person at risk. C.A.R. supported AB 1197 because it clarified the law with regard to the presumption that landlords or their agents are protecting a person at risk by denying or terminating the tenancy of a registered sex offender.

Position: Support

Status: Died in the Assembly Public Safety Committee

AB 1309 (C. Calderon) Mobilehome Rent Control - California has had vacancy decontrol for apartments since 1995 under the Costa-Hawkins Rental Housing Act which C.A.R. successfully co-sponsored. AB 1309 would have inserted vacancy decontrol provisions into local mobilehome rent control ordinances. As with apartment vacancy decontrol, the bill did not prohibit rent control nor did it raise rents for existing tenants beyond that permitted by local ordinance. Rather, vacancy decontrol only permits an owner of a mobilehome park to raise space rent to market price for a new resident when the space or mobilehome unit is voluntarily vacated which usually happens when the unit is sold. C.A.R. supported AB 1309 because vacancy decontrol removes some of the negative impacts caused by rent control which include discouraging investment in, and construction of, new mobilehome parks.

Position: Support

Status: Died on the Assembly Floor

AB 1449 (Saldana) Density Bonus - This bill would revise the eligibility requirements for the construction of moderate-income housing units by requiring them to conform to the existing requirements for low- and very low income housing units. AB 1449 would have resulted in punitive and financially problematic burdens for first time moderate income homebuyers that purchase density bonus units by “lumping” moderate income housing with low- and very low-income housing that is developed under the density bonus law. C.A.R. opposed this bill because homeowners would have had no incentive to maintain and improve their property. Furthermore, AB 1449 appeared to dilute the density bonus law by setting up a process by which local agencies can opt out of the density bonus program.

Position: Oppose

Status: Died in the Assembly Local Government Committee

AB 1542 (Evans) Mobilehome Park Conversions – Current law requires the filing of detailed environmental impact reports (E.I.R) when converting existing mobilehome parks to private ownership. However, if the park is being converted to resident ownership, the park is granted an exemption from this requirement. AB 1542 would have eliminated this exemption from the E.I.R. requirements for parks converted to resident ownership – making it more difficult for park owners to sell to their residents. C.A.R. opposed the bill because it would have made it more difficult for parks to convert to resident-owned parks, thus penalizing residents and owners. As amended, AB 1542 deleted the existing requirement that subjects subdividers to a hearing by the appropriate legislative body for the purpose of approving the subdivision map. The bill also required local rent control measures to remain applicable to the rental of any mobilehome space when a resident chooses not to purchase their lot. C.A.R. continued to oppose AB 1542 because it attempted to maintain existing price controls that create undue financial burdens on park owners that contribute to the decline in mobilehome parks in California.

Position: Oppose

Status: Vetoed by the Governor on October 12, 2007

AB 2050 (Garcia) Point-of-Sale Mandate on Manufactured Homes - This bill proposes to modify current law that requires one smoke detector per mobilehome to require all existing manufactured homes have an operable smoke detector in each bedroom and to have water heaters strapped. AB 2050 requires that the verification of compliance with this statute be confirmed by the occupant of the mobilehome within 45 days prior to a pending sale of the mobilehome. C.A.R. opposes AB 2050 because it imposes a point-of-sale mandate that does not include the liability immunity for real estate agents as to compliance by the seller of a home with this retrofit requirement that is in current law for “stick-built” retrofit requirements. Real estate agents should not be required to be “de facto” compliance inspectors. C.A.R. is seeking amendments to apply the same protections for agents that exist for the meeting of retrofit requirements in “Stick-built” homes to mobilehomes.

Position: Oppose Unless Amended

Status: Assembly Housing and Community Development Committee

AB 2052 (Lieu) Termination of Tenancy for Domestic Violence - AB 2052 provides that a tenant or household member who was a victim of domestic violence, sexual assault, or stalking may terminate tenancy and be discharged from payment of rent if they provide the landlord with written proof of a valid protective order or proof that they have reported the event to a qualified third party. A “qualified third party” is defined as a peace officer, health care practitioner or the employee of an organization that provides social or legal services. AB 2052 only allows tenants to terminate tenancy within 90 days of the assault or the date that written documentation is provided by the qualified third party and provides that tenants terminating rental agreements due to

domestic violence are entitled to return of the full deposit. Finally, AB 2052 does not release any other tenant from their obligations under the rental agreement. The author has agreed to eliminate the provision that requires return of the security deposit even if the unit is not vacated by all parties, as well as to add a provision that requires the payment of rent for 30 days from the notice to quit the tenancy. As recently approved in policy committee, the reference to a “qualified third party” was removed and replaced with the option of the victim providing a copy of a police report relating to the domestic violence, sexual assault or stalking incident. Finally, the author has agreed to amend the bill to allow the landlord to terminate tenancy of the individual who committed the domestic violence, sexual assault or stalking, and limit terminations to those where there’s a valid protective order or where there is a police report relating to such an incident. Once that amendment is made to the bill, C.A.R. will remove its opposition.

Position: Oppose Unless Amended
Status: Assembly Floor

AB 2187 (Caballero) Mortgage Foreclosure - Existing law regulates the process of foreclosing on real property. AB 2187 would require lenders mailing a notice of default to a borrower whose real property may be subject to foreclosure to also mail that borrower a copy of the “homeowner’s bill of rights” that describes the process of foreclosure employed by the lender and sets forth the borrower’s rights. The bill would require, upon the completion of a foreclosure, lenders to notify the local government of its plan for managing the maintenance of the property and provides that should the lender not maintain the property, local governments may recoup reasonable costs to prevent or remedy blight, hazardous conditions, or unsightliness in the community. C.A.R. opposes AB 2187 because, as currently written, the bill does not define the “homeowner’s bill of rights” and, thus, leaves that phrase “wide open” for individual interpretation by lenders and brokers alike; in other words, the measure is a “breeding ground” for potential litigation. C.A.R. recently contacted the author’s office and was assured that she is working with several state agencies to develop a definition that lays out what constitutes a “homeowner bill of rights.”

Position: Oppose Unless Amended
Status: Assembly Judiciary Committee

AB 2280 (Saldana) Density Bonus – Existing law established by C.A.R.-sponsored SB 1818 of 2004 codified the minimum densities used for determining if localities have identified sufficient sites to meet their fair share of the regional housing need. AB 2280, sponsored by the League of Cities, proposes to revise the density bonus law by providing “greater clarity and better balance between the number of affordable housing units the community receives, and what the developer gets in terms of concessions, incentives, and waivers,” according to the Sponsor. It would authorize local governments to require that the resale or transfer of the unit be subject to its prior approval to ensure the continued affordability and occupancy by households of moderate income and imposes a 30-year price restriction on those homes built using the density bonus. Furthermore, the bill requires rents for the lower income density be set at an affordable level. This bill would increase the number of units that must be built for very low-, low- and moderate-income housing by 10% across the board in order for housing developers to receive a density bonus. C.A.R. opposes those portions of this bill that effectively eviscerate the work done by C.A.R. in 2004, which made the density bonus more useable for housing developers seeking a density bonus.

Position: Oppose Unless Amended
Status: Assembly Housing and Community Development Committee

AB 2359 (Jones) Loans - Existing law allows a borrower to waive their rights or privileges in order to secure the payment of bonds or other indebtedness for any deed of trust, mortgage, or lien. This bill would prohibit lenders from requiring borrowers, as a condition of the agreement, to waive their rights or privileges for a residential mortgage or mortgage foreclosure when the borrower is seeking a high-cost loan, subprime loan, or nontraditional mortgage. This bill would

also eliminate the “holder-in-due-course doctrine” from certain mortgage loan transactions by imposing liability on assignees. C.A.R. believes creating such “assignee liability” will further exacerbate the liquidity problem in the mortgage lending market. AB 2359 also proposes to impose liability on the government-sponsored entities in the secondary mortgage market (such as Fannie Mae and Freddie Mac) to be responsible for mistakes made by originators of the loans they purchase. C.A.R. opposes AB 2359 because it will reduce financing options for borrowers and increase the cost of loans.

Position: Oppose

Status: Assembly Banking and Finance Committee

AB 2383 (Ruskin) Prohibition of Landlords’ use of Social Security Numbers - This bill would prohibit landlords and their agents from using an applicant’s social security number for credit and background checks unless they obtain encryption technology. AB 2838 prohibits landlords from “speaking” the social security number, making oral verification of the number impossible when it is not legible on a rental application. C.A.R. opposes AB 2838 because it will drastically increase costs to property managers by requiring the use expensive technology, a cost that will most surely have to be passed on to prospective tenants. In addition, C.A.R. is unaware of any security breaches in residential housing, and argues that the bill is unnecessary since it is a mandate in search of a problem. Due to opposition the author has decided not to pursue AB 2383 at this time.

Position: Oppose Unless Amended

Status: Assembly Judiciary Committee

AB 2586 (Torrico) Residential Tenancies - AB 2586 would, for properties facing possible foreclosure, allow tenants to serve landlords with a 3-day notice that terminates the tenancy, beginning six months from the date of the recording of a notice of sale on the property. Lenders would be required to provide tenants with a lengthy notice in six languages, while tenants would be permitted to deduct the amount for their utility bill from their rent without providing proof of payment to the landlord. This bill would create a significant burden on multifamily property owners and could expedite foreclosures on buildings in default should tenants vacate the property en masse or deduct large utility payments from the rent, leaving the landlord with no resources to bring the mortgage up to date. C.A.R. will oppose AB 2586 until it is amended to apply to only single family housing and permits foreclosing lenders to provide tenants with a 30 or 60 day notice, depending on length of tenancy, to vacate in a no-fault termination of tenancy jurisdiction. Amendments have been circulated by the author that appear to take care of C.A.R.’s concerns, following a series of meetings with the author and sponsor (Western Center on Law & Poverty). When these amendments are placed in the bill, C.A.R. will remove its opposition.

Position: Oppose Unless Amended

Status: Assembly Utilities and Commerce Committee

AB 2594 (Mullin) Affordable Housing Redevelopment – This bill will provide redevelopment agencies with the authority to utilize some of their funds to assist local low or moderate income homeowners to mitigate sub-prime loan difficulties they are experiencing, and to purchase vacant foreclosed homes for purchase by low- or moderate-income families. The provisions of this bill would sunset January 1, 2013. C.A.R. supports AB 2594 because any step taken to remove foreclosed homes from the marketplace is a step towards re-invigorating local home ownership opportunities.

Position: Support

Status: Assembly Housing and Community Development Committee

AB 2604 (Torrico) Developer Fees - AB 2604 proposes to delay the collection of local government impact fees from housing developments until the occupancy permits are issued, or

the close of escrow, whichever occurs later. The bill would sunset January 1, 2014. C.A.R. supports AB 2604 because it will help encourage the construction of new affordable housing.

Position: Support

Status: Assembly Local Government Committee

AB 2806 (Karnette) Common Interest Development Classes - AB 2806 attempts to indirectly force home owner association (HOA) board candidates to take an industry-created course or be shamed out of the ability to run or serve on the board – regardless of the other qualifications that individual might possess. The bill requires the Department of Real Estate (DRE) to create a course outline and to enforce a \$25 price cap on the course. C.A.R. opposes AB 2806 because this bill encourages HOA leadership to vote themselves funding for annual “education” and travel at HOA expense, and then to “disclose” outside challengers as uneducated. Additionally, the bill may increase HOA director liability by increasing the standard of care. C.A.R. has been guaranteed amendments to satisfy its concerns. (See also, SB 948)

Position: Oppose Unless Amended

Status: Assembly Housing and Community Development Committee

AJR 45 (Coto) Federal Conforming Loan Limit - This measure, sponsored by the California Building Industry Association, requests the President and Congress of the United States to permanently increase the federal conforming mortgage loan limit from \$417,000 to \$729,750. C.A.R. supports AJR 45 because California has the nation's highest housing costs and is home to 21 of the 25 least affordable housing markets in the United States.

Position: Support

Status: Assembly Banking and Finance Committee

SB 303 (Ducheny) Housing Affordability Act of 2007 - SB 303 proposes to require each city's and county's general plan to have a planning period of at least 10 years, and would require it to be updated every 5 years, as with the housing element portion which would continue to be updated every 5 years. It also requires local governments to zone enough land to accommodate a 10-year housing need, and to certify that the land zoned for housing is actually suitable for housing. SB 303 further requires that adopted zoning ordinances be consistent with the jurisdiction's general plan. C.A.R. supports SB 303 because it seeks to encourage an increase in the supply of housing and fosters more certainty in, and streamlining of, the local government housing planning process.

Position: Support

Status: Assembly Local Government Committee

SB 371 (Yee) Nonresidential Tenant Deposits - Existing law regulates nonresidential rental property deposits and permits a landlord to use the deposit to remedy tenant defaults, and requires the return of any remaining portion of the tenant's deposit within 30 days from the tenant surrenders the premises. SB 371 would have permitted a nonresidential landlord to use a tenant's deposit to compensate for damages resulting from the termination of the lease, including compensation for unpaid rent, rental loss, and losses caused to the adjacent properties. The bill also allowed landlords to use the deposit to repair damages caused by the tenant without requiring that the deposit be made for that purpose. Finally, the bill created an exception for deposit returns, from the 30-day requirement, to instead allow landlords to return any remaining portion of the deposit within 14 days of determining the amount the landlord may recover. C.A.R. favored SB 371 because commercial property landlords should be able to use security deposits to recoup repair costs and unpaid rent from tenants that breach their lease or abandon the property.

Position: Watch as Amended

Status: Died in the Senate Judiciary Committee

SB 464 (Kuehl) Forcing Landlords to Stay in Business for Three Years – The Ellis Act prohibits any public entity from forcing owners of residential rental property to continue to offer their property for rent or lease. As introduced, SB 464 granted local governments the authority to require landlords of all rental property, including single family dwellings, to keep the property on the rental market for a minimum of 5 years after the purchase of that rental property.

Furthermore, SB 464 required landlords to give all tenants a one-year notice of termination of tenancy if even one disabled or senior citizen, defined as 62 years of age or older, resides within their rental units. SB 464 was amended to reduce the required operating time to a minimum of 3 years. The author offered to reduce the operating time to a minimum of 2 years, but was unsuccessful in garnering enough support to pass the bill on the Senate Floor. C.A.R. strongly opposed SB 464 because it discouraged investment in rental housing by placing a substantial limitation on a property owner's right to legitimately take a property off the rental market, thus negatively affecting property values. Furthermore, no other business is required to operate for 3 years when they open for business.

Position: Oppose

Status: Died on the Senate Floor Inactive File

SB 900 (Corbett) Mobilehome Park Conversions - When converting an existing mobilehome park to private ownership, the Subdivision Map Act requires subdividers to file a report outlining the impact on displaced residents of the mobilehome park at the time of filing a tentative or parcel map for the creation of the subdivision. The impact report must include a statement on the adequacy of replacement spaces in other mobilehome parks available to mitigate any adverse impacts on the current residents. Current law provides an exemption from this act if the mobilehome park is being converted to resident ownership. SB 900 would eliminate this exemption from the E.I.R. requirements for parks converted to resident ownership – making it more difficult for park owners to sell to their residents. C.A.R. opposes the bill because it would make it more difficult for owners of mobilehome parks to convert their property to resident-owned parks, thus penalizing residents and owners alike.

Position: Oppose

Status: Assembly Housing and Community Development Committee

SB 926 (Perata) Mortgages - SB 926 would have required lenders to mail notices to borrowers 120, 90, and 45 days prior to any projected change in the mortgage payment that would include: the current interest rate, the current monthly payment amount, the formula used to calculate the monthly or periodic payment amount, the date on which the monthly or periodic payment amount is projected to change, a statement explaining that the actual change in the payment amount will not be known until at least 30 days prior to the projected change date, a statement that the borrower will be notified about the actual change of payment at least 25 days prior to any change in payment amount, and an illustration of the projected difference between the current payment and the projected monthly payment on the change date. SB 926 would have also have required lenders to conduct an in-person meeting with the borrower to explore their options for avoiding foreclosure. Amendments added a definition of what comprises lender "due diligence" for seeking such a meeting in order to address those situations when the borrower refused to meet with the lender. The bill also proposed to require a separate notice be mailed to the property resident and that any tenants on the property be given a 60 day notice of possible termination of tenancy. This notice would have been required to be given to the tenant at the time the notice of sale was recorded. The provisions established by SB 926 would have sunseted January 1, 2013. C.A.R. opposed SB 926 because it would have resulted in the micromanagement of the lending industry and an ill-conceived creation of a one-size-fits-all approach to a very complicated situation. This bill would have undoubtedly created a further chilling effect on future mortgage lending in

California and imposed significant new costs for prospective borrowers attempting to finance the purchase of a home. (See also, SB 1137)

Position: Oppose

Status: Died on the Senate Floor

SB 948 (Harman) Common Interest Developments - SB 948 would have required every common interest development (CID) homeowner association board member to complete at least one 3-hour Department of Real Estate-approved course relating to CID decisional and statutory law during every term of office. This bill would have taken effect January 1, 2009. While, C.A.R. supports education encouragement for CID board members, C.A.R. believed that this bill was too restrictive. At C.A.R.'s request, the author amended the bill to make the educational requirements broader, as well as to exempt licensed real estate brokers and salespersons from the education mandate if they have taken such a course during the maintenance of their license. C.A.R. removed its opposition to the bill. AB 2806 (Karnette) has been introduced in 2008 to take a different approach on CID board member education, going more to a voluntary option. (See also, AB 2806)

Position: Watch as Amended

Status: Died on the Senate Floor Inactive File

SB 981 (Padilla) Mobilehome Rental Agreements - As introduced, C.A.R. opposed SB 981 which would have required mobilehome park management to maintain the premises with funds acquired only through rent and not through fees or "pass-throughs." By eliminating a park owner's ability to "pass through" expenses the bill encouraged park owners to reduce the level of services and amenities offered to their residents. Due to C.A.R.'s opposition, the author amended SB 981 to exempt local rent control ordinances that currently permit "pass-throughs" for the maintenance of the park. Unfortunately, the amendments did not remove C.A.R. opposition because the bill would not have applied to local governments that did not have an existing pass-through provision in their local rent control ordinance, nor would it have applied to local governments currently without rent control. SB 981 continued to take away a mobilehome park owners' ability to pass on costs for maintenance and improvements that cannot be paid with regular rent assessments. As amended in September 2007, the bill now pertains to health care coverage.

Position: Watch as Amended

Status: Died on the Senate Floor Due to Amendment

SB 1065 (Correa) Home Financing Programs - Currently, local government may provide funding for loans made to qualified home buyers and owners for down payment and closing cost assistance, as well as home improvement loans for owner-occupied housing rehabilitation. SB 1065 would authorize an additional option for local government entities by providing them a new lending authority: The ability to offer their residents the opportunity to refinance troubled home loans. C.A.R. supports SB 1065 because it will encourage an important partnership between the public and private sectors by allowing cities and counties to issue revenue bonds for this additional purpose of making loans to third-party lenders who are refinancing mortgages on owner-occupied homes, as well as to acquire reverse mortgages made to seniors. This new authority would assist low-and moderate-income families faced with possible foreclosure on their home to retain ownership. This financial support could help stabilize neighborhoods facing exceptional exposure to foreclosures and contribute to a boost in the state's housing market.

Position: Support

Status: Senate Banking, Finance and Insurance Committee

SB 1137 (Perata) Foreclosure Proceedings - This bill would require lenders who made loans on or before December 31, 2007, to conduct an in-person meeting with borrowers to explore their options for avoiding foreclosure. The bill provides a "due diligence" definition for seeking such a

meeting to address those situations in which the borrower refuses to meet with the lender. SB 1137 would restrict lenders from filing a notice of default until 30 days after the in-person meeting or, if a meeting was not arranged, 30 days after satisfying the due diligence requirements. The measure also requires vacant residential property purchased at a foreclosure sale to be maintained and authorizes a governmental entity to impose civil fines of up to \$1,000 per day for failure to maintain property after receipt of notice of the violation, giving the owner 14 days to abate the nuisance. This bill also proposes to require that a separate notice be mailed to the property resident notifying them that the foreclosure process has begun and that any tenant on the property may be given a 60 day notice of termination of tenancy. The provisions established by SB 1137 would sunset January 1, 2013. C.A.R. has joined in a real estate finance related coalition that opposes SB 1137 because it would result in the micromanagement of the lending industry and impose a one-size-fits-all approach to a very complicated situation. This bill would create a further chilling effect on future mortgage lending in California and impose significant new costs for prospective borrowers attempting to finance the purchase of a home. The author has very recently reached an agreement with a coalition of opponents (which includes C.A.R.) and they are now neutral.

Position: Watch as Amended

Status: Senate Floor

SB 1234 (Correa) Mobilehome Privacy - Existing law prohibits the management of a mobilehome park from entering a mobilehome unless there is an emergency, the resident has abandoned the home or they have obtained prior written consent. This bill would instead require park management give a 7-day written notice prior to entering a resident's lot or space and expands the prohibition to any fully enclosed accessory structure. SB 1234 does provide an additional exception to the notice requirement for the purpose of reading utility meters. C.A.R. is seeking amendments to reduce the prescribed notice period to resemble that given for entry into apartment units (24 hours) and to exclude specified daily "routine" responsibilities that include entering a mobilehome park space.

Position: Amend

Status: Senate Floor

SB 1511 (Ducheny) Common Interest Development Delinquent Assessments – Common interest developments (CIDs) are managed by an association that has the authority to levy regular and special assessments that finance its obligations under the governing documents. Existing law specifies the method for collecting delinquent assessments, including the filing of a lien on the property. This bill would permit CID associations to require foreclosing lenders to pay up to 6 months of past due homeowner association assessments on the property. C.A.R. opposes SB 1511 because it will exacerbate the shortage of mortgage funding, drastically reducing the availability of funds for properties in CIDs. The bill could result in lenders imposing, as a condition to a loan on CID properties, that up to 6 months of assessments be impounded upon the purchase of the property to protect the lender from liability, and would result in making it more difficult for CID owners to market their homes.

Position: Oppose

Status: Senate Judiciary Committee

SB 1518 (Correa) Water Charges in Multiunit Residential Housing - This bill, sponsored by the California Apartment Association, would require all newly constructed multi-family rental housing to have water submeters or individual meters installed after January 1, 2012, as a condition of new water service to that property. The bill also authorizes landlords to charge tenants based upon the actual volume of water used and provides multiunit residential structures without water submeters an alternative to charge tenants for water service based upon an allocation formula that reflects the square footage of the unit or the number of tenants residing in the unit, or a combination of both. Finally, the bill prohibits landlords from charging tenants for

water usage in common areas of the property. C.A.R. supports shifting the burden of water use charges to individual tenants to encourage greater water conservation in apartment complexes and to legitimately allocate water use costs to users.

Position: Support

Status: Senate Floor

Land Use, Environment, and Infrastructure

AB 5 (Wolk) Flood Protection - As introduced, AB 5 required developers to provide a notice explaining the property's risk of flooding to the Department of Real Estate, as well as obtain flood insurance on the property and the buyer's acknowledgement that they had received a copy of the local flood preparedness and evacuation plan within their sales contract. C.A.R. obtained amendments to add the levee flood hazard zone disclosure to the Natural Hazard Disclosure (NHD) reports, relieving homeowners and agents from additional disclosure requirements. In September 2007 the bill was completely re-written and, as amended, AB 5 renames the State Reclamation Board as the Central Valley Flood Protection Board, and sets new standards and directives for the board. The bill requires the Department of Water Resources (DWR) to prepare a status report on the state flood control plan and to post levee flood protection zone maps on the internet. DWR must also provide homeowners with a notice of flood risk and information on the availability of flood insurance. Finally, AB 5 conditions funding for levee upgrades, which will allow for new development, on the adoption of a local government's flood safety and emergency response plans. (See also, SB 5)

Position: Watch as Amended

Status: Signed by the Governor on October 10, 2007 (Chapter 366, Statutes of 2007)

AB 38 (Nava) Department of Emergency Services - This bill would delete the provisions of law governing the Office of Homeland Security (OHS) establishing the Office of Emergency Services (OES). AB 38 would instead establish the Department of Emergency Services and Homeland Security, which would be vested with the duties, powers, purposes, responsibilities, and jurisdiction formally held by the OHS and the OES. The original act required the OES to develop and complete, by January 2002, a guidance document to the state emergency plan with respect to agriculture-related disasters. This bill would require the document to be updated by January 2009. C.A.R. is seeking amendments to make dam inundation maps, and any other OES maps, available via an internet website.

Position: Amend

Status: Senate Public Safety Committee

AB 75 (Blakeslee) Parks and Recreation Easements - In December 2007, AB 75 was amended to authorize the Department of Parks and Recreation to acquire voluntary conservation easements on real property if it determined that the easement is necessary to protect, preserve and enhance the state park system. Furthermore, the bill authorized state and local government agencies or nonprofit land trust organizations holding the easements to amend the easement or any of its terms upon approval by the department. C.A.R. obtained amendments to ensure that these easements could not be altered without landowner consent. (see also, AB 828)

Position: Watch as Amended

Status: Died in the Assembly Appropriations Committee

AB 156 (Laird) Flood Control - AB 156 requires the Department of Water Resources (DWR) to prepare and maintain maps for levee flood protection zones in the Sacramento River and San Joaquin River drainage areas by December 31, 2008, and to provide written notice to each landowner whose property is located within a levee flood protection zone. This bill also requires

DWR to prepare a flood control system status report and to inspect project levees annually beginning in 2010. Additionally, AB 156 requires the local agency responsible for the operation and maintenance of a project levee to submit a report to DWR that will be included in the flood management reports. The bill requires each local agency responsible for the operation and maintenance of a project levee, which protects an urban area where more than 1,000 people reside, to enter into an agreement to adopt a safety plan within 2 years of the effective date of the statute. C.A.R. achieved amendments to make the Levee Flood Protection Zone maps available to the public by posting on the internet. Amendments taken in September exempt Propositions 84 and 1E bond funds from Public Works Board approval for emergency repairs to levees.

Position: Watch as Amended

Status: Signed by the Governor on October 10, 2007 (Chapter 368, Statutes of 2007)

AB 665 (DeSaulnier) Growth Management - As introduced, this bill would have required the Governor's Office of Planning and Research to produce an annual "Smart Growth" Management Information Report. C.A.R. opposed the bill because while C.A.R. does not oppose growth management programs, C.A.R. does oppose the use of the term "smart growth" because it is not a formally defined concept. C.A.R. achieved amendments that eliminated the use of the term "smart growth" from the report, thus removing C.A.R.'s opposition to the bill.

Position: Watch as Amended

Status: Vetoed by the Governor on October 10, 2007

AB 739 (Laird) Stormwater Discharge - AB 739 requires the Department of Water Resources to develop project guidelines for implementing a stormwater flood management grant program financed by Propositions 84 and 1E that were authorized by the voters in 2006. The measure also requires the State Water Resources Control Board (state board), by July 1, 2009, to develop a comprehensive framework for evaluating and measuring the effectiveness of municipal stormwater management programs and to promote the use of low impact development, also known as "green" techniques, as an alternative to conventional stormwater management for new development and redevelopment on public and private lands. The bill requires the state board to give preference for funding to projects that either support sustained, long-term water quality improvements or that are consistent with any applicable integrated regional water management plan. C.A.R. achieved amendments to define "low-impact development" as the maintenance of predevelopment storm water runoff rates by restricting or limiting the development of impermeable surfaces (e.g. sidewalks and streets). With this amendment the author has satisfied C.A.R.'s concerns.

Position: Watch as Amended

Status: Signed by the Governor on October 13, 2007 (Chapter 610, Statutes of 2007)

AB 828 (Ruskin) Wildlife Conservation - Existing law establishes the Wildlife Conservation Board and requires the board to investigate, study, and determine what areas within the state are most essential and suitable for wildlife production and preservation. AB 828 requires the board to identify essential wildlife corridors located near pending infrastructure projects that may be funded by state bonds. C.A.R. opposed AB 828 because it appeared to be an attempt to stop infrastructure repairs and improvements by deeming these areas sensitive wildlife corridors. Due to C.A.R.'s opposition, the author amended AB 828 to ensure that private landowners would be able to participate in the identification process. The amendments also restricted the use of any of the study findings for regulatory actions. With these amendments, C.A.R. removed its opposition.

Position: Watch as Amended

Status: Vetoed by the Governor on October 13, 2007

AB 838 (Blakeslee) Parks and Recreation Easements - AB 838, which is identical to AB 75, authorizes the Department of Parks and Recreation to acquire conservation easements on real

property if it determines that the conservation easement is necessary to protect, preserve and enhance the state park system. Furthermore, the bill authorizes state and local government agencies or nonprofit land trust organizations holding the easements to amend the easement or any of its terms upon approval by the department. C.A.R. is working with the author to secure amendments that will ensure that these easements cannot be altered without first obtaining landowner consent.

Position: Amend

Status: Senate Appropriations Committee

AB 938 (C. Calderon) Urban Runoff - AB 938 would broaden the authority of local water districts to provide a comprehensive stormwater management service. This measure would authorize a local water district to construct and maintain facilities to manage and treat stormwater by creating a stormwater diversion and treatment system to deal with urban runoff. C.A.R. supports this bill because it will facilitate coordination between local governments, agencies and districts when developing necessary programs and plans to address stormwater drainage and watershed protection goals for an entire region. Furthermore, the current piecemeal approach to stormwater management produces little or no improvement to stormwater diversion, unfairly targets new construction, and can add significantly to the cost of a new home, exacerbating California's housing affordability problem.

Position: Support

Status: Senate Environmental Quality Committee

AB 1065 (Lieber) Building Standards - This bill requires the California Energy Commission to adopt new energy efficiency standards that will require new homes, by 2030, to use 80% less energy than required by today's standards. While C.A.R. supports the reduction in energy consumption, C.A.R. opposes AB 1065 because of the negative impacts that the measure will have on housing affordability. It is estimated that this mandate, in today's dollars, would increase the average price of a home by \$50,000, which would effectively preclude up to 1,000,000 California residents from achieving home ownership.

Position: Oppose

Status: Senate Transportation and Housing Committee

AB 1103 (Saldana) Commercial Building Energy - Beginning January 1, 2009, AB 1103 would require electric and gas utilities to provide the energy consumption data for non-residential buildings in a format that is compatible with the United States Environmental Protection Agency's Energy Star Portfolio Manager (ESPM), and to upload information consumption to the ESPM on behalf of the owner or operator upon their request. Additionally, the bill would require that a non-residential building owner or operator disclose to a prospective buyer, lessee, or lender the ESPM's benchmarking data and scores for the building that is being sold, leased, financed, or refinanced. This provision would become effective January 1, 2010. C.A.R. obtained amendments to the bill that provide a safe harbor provision for property owners and real estate licensees regarding the disclosure of this information.

Position: Watch as Amended

Status: Signed by the Governor on October 12, 2007 (Chapter 533, Statutes of 2007)

AB 1159 (Coto) State Earthquake Authority - As introduced, this measure addressed a non-real estate related topic. As amended, AB 1159 is identical to SB 430, which was signed into law by the Governor in October of 2007. Both AB 1159 and SB 430 were introduced to improve the financial condition of the California Earthquake Authority (CEA) which would have been jeopardized by the December 1, 2008, sunset of CEA's authorization to assess insurers for funding. This bill creates a new assessment for the CEA to last for 10 years beginning December 1, 2008. The new assessment will equate to \$1.3 billion to pay earthquake claims and expenses

and could be extended for up to two additional years if the CEA pays at least \$500 million in claims as a result of a single earthquake event. C.A.R. supports AB 1159 because the viability of the CEA is necessary to the availability of homeowners insurance in California.

Position: Support

Status: Senate Floor Inactive File

AB 1322 (Duvall) Eminent Domain - Existing law authorizes the Department of Transportation to acquire property through eminent domain. AB 1322 would require the Department of Transportation to provide a copy of all appraisals performed or obtained by the department to the property owner when acquiring property through eminent domain. C.A.R. supported AB 1322 because it provided for greater transparency in the valuation of private property subject to eminent domain. As amended, the bill now includes a provision that requires property owners to provide the department a copy of those appraisals if they are first provided to the property owner instead of the department. C.A.R. removed its support due to the burdens this new requirement will place upon property owners.

Position: Watch as Amended

Status: Signed by the Governor on October 10, 2007 (Chapter 411, Statutes of 2007)

AB 1338 (Huffman) Coastal Commission Land Use Authority - Current law authorizes the State Water Resources Control Board (SWRGB) and Regional Water Quality Control Boards (RWQCBs) to regulate stormwater runoff through the issuance of permits. AB 1338 would expand the land use authority of the California Coastal Commission (CCC) to include regulatory oversight of stormwater runoff permits for non-point source pollution, and would grant the CCC the last word on water quality issues rather than the RWQCBs. C.A.R. opposes AB 1338 because it would expand the regulatory authority of the commission into an area that the California Coastal Act has expressly identified as the regulatory jurisdiction of the SWRCB and RWQCBs.

Position: Oppose

Status: Senate Natural Resources and Water Committee

AB 1613 (Blakeslee) Carbon Emissions - This bill would enact the Waste Heat and Carbon Emissions Reduction Act to promote the conversion of waste heat to electricity or other useful energy applications. AB 1613 requires the Energy Commission to adopt regulations for combined heat and power systems by January 1, 2010, in order to reduce waste energy. Additionally, AB 1613 requires the Public Utilities Commission (PUC) to streamline and simplify interconnection rules and tariffs to reduce impediments to the installation and use of combined heat and power systems by small users (i.e., home owners) with systems that have a peak generating capacity of one megawatt or less. Finally, this measure requires the PUC to report to the Legislature by December 31, 2008, on a proposed self-generation incentive program funding formula. C.A.R. achieved amendments that removed a point-of-sale disclosure requirement with regard to these systems.

Position: Watch as Amended

Status: Signed by the Governor on October 14, 2007 (Chapter 713, Statutes of 2007)

AB 1985 (Strickland) Sidewalk Repairs - Existing law requires property owners to maintain public sidewalks and permits the superintendent of streets to provide property owners with a sidewalk repair notice that gives owners two weeks to begin the repairs. Should owners not make the required repairs, the superintendent is permitted to make the repairs and place a lien on the property for the cost of the repairs. AB 1985 prohibits cities and counties from assessing public sidewalk repair costs on property owners and permits local government to repair sidewalks. The measure prohibits local government from forcing property owners alone to bear the liability for injuries resulting from a locality's failure to maintain a public sidewalk. C.A.R. supports this bill because it allows property owners to work with local governments to increase public safety by

fixing dangerous sidewalks and no longer saddles homeowners with the costs and liability that can result from deferred maintenance on sidewalks that they may not even own.

Position: Support

Status: Assembly Local Government Committee

AB 2030 (Lieu) Energy Building Standards – This measure authorizes the State Energy Resources Conservation and Development Commission to develop and adopt building design and construction standards for energy and water conservation. Furthermore, the measure requires all commercial buildings to achieve a zero net energy standard if it is built after December 31, 2029. C.A.R. opposes AB 2030 because it is currently impossible to achieve a cost-effective zero net energy standard. (See also, AB 2112)

Position: Oppose

Status: Assembly Natural Resources Committee

AB 2046 (Jones) Groundwater Supply Assessments – This bill would require the Department of Public Health or a local health officer to certify that every groundwater basin meets drinking water standards before the water is even extracted. C.A.R. opposes AB 2046 because it's not only impractical, but unreasonable, to require public health agencies to certify every groundwater basin in the state when they have neither the resources nor expertise to perform such duties. Additionally, current law already requires water districts to analyze whether groundwater basins will be viable sources for future water needs.

Position: Oppose

Status: Assembly Water, Parks and Wildlife Committee

AB 2112 (Saldana) Energy Building Standards - AB 2112 authorizes the State Energy Resources Conservation and Development Commission to develop and adopt building design and construction standards for energy and water conservation. Furthermore, the measure requires all new residential construction to achieve a zero net energy standard beginning January 1, 2020. C.A.R. opposes AB 2112 because it is currently impossible to achieve a cost-effective zero net energy standard in residential housing and would result in increases in the cost of housing. (See also, AB 2030)

Position: Oppose

Status: Assembly Natural Resources Committee

AB 2182 (Cabellero) Land Use Planning - Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, allocates \$580,000,000 for revitalizing communities. This bill would establish the Urban and Community Center Revitalization Program within the Department of Conservation that would authorize up to \$90 million of Proposition 84 funds for planning grants and incentives. Eligibility for funding under AB 2182 is determined by local government demonstration of the passage of at least two of the following ordinance actions on development approvals in the last 10 years: protection of open-space and agricultural lands, increased urban infill development, increased use of floor area ratios, multiple housing unit zoning, and inclusionary zoning. C.A.R. opposes AB 2182 because it favors those jurisdictions that have adopted inclusionary zoning ordinances. C.A.R. has long opposed inclusionary zoning because it places an unacceptable burden on the development of affordable housing upon developers and purchasers of market rate housing.

Position: Oppose Unless Amended

Status: Assembly Local Government Committee

AB 2219 (Parra) Subdivision Water Supply – Current law requires housing projects in excess of 500 units to receive verification from the public water system that sufficient water supplies are,

or will be, available prior to the completion of the project. AB 2219 would permit local governments to consider a reduction in the anticipated water demand for new housing projects if the development voluntarily implements water demand reduction measures. C.A.R. supports AB 2219 because it will help meet the water demands needed to provide more housing to the state's increasing population by maximizing the utilization of the states water supply through conservation.

Position: Support

Status: Assembly Water, Parks and Wildlife Committee

AB 2309 (DeSaulnier) Residential Energy Efficiency Audit - This bill would require the Public Utilities Commission to authorize electric corporations to provide owner-requested energy efficiency audits and recommendations for residential buildings built prior to January 1, 2006. California's energy efficiency building standards are among the toughest in the nation; however, most California homes were built prior to the implementation of these standards. C.A.R. supports AB 2309 because it will enable more homeowners to obtain energy audits which will help them understand energy efficiency, reduce utility bills, and help to reduce overall energy demand.

Position: Support

Status: Assembly Utilities and Commerce Committee

AB 2447 (Jones) Subdivision Map Disapproval - The Subdivision Map Act gives local governments the authority to approve or deny tentative maps or parcel maps. AB 2447 requires local government to deny the approval of a tentative map, or a parcel map, if the Department of Forestry and Fire Protection determines that the development is located in a high fire danger area. , Under this bill, those developments seeking local government approval would be required to obtain the department's written approval of design and location in conjunction with verification that the city or county is providing fire protection services for the new development. C.A.R. opposes AB 2447 because it expands the jurisdiction of the Department of Forestry and Fire Protection to include subdivision design land use decision-making authority that will supersede local government decisions.

Position: Oppose Unless Amended

Status: Assembly Local Government Committee

AB 2678 (Nunez) Point-of-Sale Energy Audits – This bill requires that a state agency develop a program that would require ALL homes and commercial properties in California to have an energy audit at point-of-sale and that mandatory energy efficiency investments be made. While C.A.R. appreciates the goal of AB 2678, C.A.R. strongly opposes the point-of-sale requirements in AB 2678 because they fail to achieve the bill's objectives and such mandates will further weaken the housing market. If enacted, AB 2678 could add thousands of dollars to the cost of purchasing a home, including up to \$400 just to have a home audited.

Position: Oppose Unless Amended

Status: Assembly Utilities and Commerce Committee

AB 2881 (Wolk) Right to Farm- Beginning July 1, 2009, AB 2881 would require real estate licensees to include a disclosure on the right to farm in a real property sales contract for all properties located within an agricultural area. C.A.R. will oppose this bill until it is amended to remove the mandatory disclosure provision for all transactions and instead allow the right to farm disclosure to be included in Natural Hazard Disclosure reports.

Position: Oppose Unless Amended

Status: Assembly Judiciary Committee

ACA 2 (Walters) Eminent Domain - The California Constitution authorizes private property to be taken or damaged for public use only when just compensation has been paid to the owner of the property. ACA 2 would instead permit private property to be taken or damaged only for a stated public use. The measure would also prohibit, with respect to both new and pending eminent domain projects, a community redevelopment agency, community development commission, or joint powers agency that has the power of eminent domain from exercising that power to acquire any real property if ownership of the property will be transferred to a private party or private entity, unless the real property will be transferred to a public utility. The restrictions in this bill would not apply to real property in the County of San Bernardino redevelopment project area if the real property is in proximity to a military facility or installation closed by the Base Closure and Realignment Act. C.A.R. opposes ACA 2 because it is too narrow in scope and would inhibit the ability to exercise eminent domain in redevelopment areas for housing.

Position: Oppose

Status: Assembly Judiciary Committee

ACA 8 (De La Torre) Eminent Domain - The California Constitution authorizes private property to be taken or damaged for public use only when just compensation has been paid to the property owner. ACA 8 would require, prior to the commencement of eminent domain proceedings, that the public use for which the private property is being taken be stated in writing. State and local governments would be prohibited from using eminent domain on an owner-occupied residence for a private use, but only if the property has been the principal residence of the owner for at least one year. Finally, the bill would give the former owner the right to reacquire the property at the current market value if that property ceased to be used for the stated public use. C.A.R. will oppose ACA 8 until it is amended to provide protection from eminent domain to all owner-occupied single family residences, regardless of tenure.

Position: Oppose Unless Amended

Status: Assembly Floor

SB 5 (Machado) Flood Protection - SB 5 requires each parcel of land that is located in a flood hazard area be identified and that the local government annually notify owners of their level of flood protection as well as providing them with information regarding flood insurance. In addition, SB 5 requires local governments to amend their general plans and zoning ordinances to reflect flood hazard zones and to condition the approval of subdivisions on one of three provisions: (1) the subdivision will have a 200-year level of flood protection from levees or other structures; (2) the construction standards used in the development will achieve the increased level of flood protection (such as raised foundation construction), or (3) the local agency has made progress in identifying the scope, schedule and cost of the project in conjunction with having spent 10 percent of the appropriated funds to begin construction of critical features necessary to reach 200-year flood protection. C.A.R supported SB 5 because it requires increased protection from the current minimum standard of 100-year flood protection to 200-year flood protection in communities in the Sacramento and San Joaquin River drainage areas without creating a building moratorium.

Position: Support

Status: Signed by the Governor on October 10, 2007 (Chapter 364, Statutes of 2007)

SB 6 (Oropeza) Flood Control - SB 6 would have required all local governments to consider the effects of global warming on ocean levels when developing the land use, open-space, safety and conservation elements of their general plan. Additionally, this measure would have required a city or county to deny approval of a tentative subdivision map or parcel map if it determined that the design and improvement of the subdivision was likely to cause flooding on site or on neighboring properties based upon global warming climate predictions. C.A.R. opposed the bill based on the lack of data available to make the required determinations. Amendments to SB 6 provided six resources for obtaining the data required by the measure. With a little research, C.A.R.

determined that the stated resources were, in fact, incapable of providing the level of detail required in the measure, and conveyed this concern to the author and committee consultants. The author acknowledged the data deficiency and withdrew the bill from committee consideration.

Position: Oppose

Status: Died in the Senate Local Government Committee

SB 68 (Kuehl) Mining - This bill would have prohibited any parcel of land that was included in a city's or county's general plan or resource management plan that has been identified by the State Geologist or State Mining and Geology Board as a significant resource of minerals or gravel from being developed for any purpose until the mineral excavation or commercial production of that area is completed. SB 68 required owners to exhaust all minerals or aggregate resources before they could reclaim the land for residential or commercial development. C.A.R. opposed SB 68 because it not only impinged upon the rights of the property owner to go out of the mining business and sell to developers, but would have also given local governments another tool to promote "no growth" principles. At C.A.R.'s request, the author and the sponsor amended SB 68 to satisfy its concerns.

Position: Watch as Amended

Status: Assembly Natural Resources Committee

SB 167 (Negrete McLeod) General Plans - SB 167 would have required the Governor's Office of Planning and Research to administer multiple programs to award loans to cities and counties to prepare and adopt city and county general plans, including habitat conservation plans, zoning ordinances, and design standards. The bill would have awarded grants to cities to prepare collaborative strategic growth plans that carried out policies for housing needs, and protected resources and agricultural lands, with special considerations given to rural planning. C.A.R. sought amendments to remove the undefined term of "smart growth" from the scope of the bill. In June of 2007, SB 732 was amended to encompass a majority of the language from this bill.

Position: Watch as Amended

Status: Died in the Senate Appropriations Committee

SB 240 (Florez) San Joaquin Valley Air Pollution Control District - Existing law authorizes air pollution control districts and air quality management districts to levy a fee of up to \$2 on motor vehicles, and authorizes the districts to increase this fee up to \$6. SB 240 would have authorized the San Joaquin Valley Unified Air Pollution Control District to increase this fee to a maximum of \$30 per motor vehicle, and added an additional surcharge of \$300 per year on all "large" housing developments. C.A.R. opposed SB 240 because it was another indirect source fee that would not have directly served to improve air quality in the district. As recently amended, the author removed the additional \$300 surcharge on housing developments, but maintained the maximum fee increase of \$30 per motor vehicle. The bill also requires the district, by January 1, 2009, to submit a report to the Legislature on how fees could be imposed on vehicles traveling through the district. With these amendments, C.A.R. has removed its opposition.

Position: Watch as Amended

Status: Assembly Appropriations Committee

SB 375 (Steinberg) Urban Infill Projects - As introduced, C.A.R. supported SB 375 which would have broadened the applicability of the existing CEQA exemption for urban infill developments and could have generated desperately needed housing. As amended, SB 375 maintains the CEQA exemption, but would also provide \$20 million from Proposition 1C, passed by the voters in 2006, for "smart growth" planning and incentives. While C.A.R. achieved amendments that removed the non-substantive term "smart growth" to describe the goals of the proposition, C.A.R. continues to oppose SB 375 because it impedes future suburban residential, commercial and

retail development by creating restrictive urban growth limitations, the purpose of which is to reduce greenhouse gases, without any guarantee that regional housing goals will be met.

Position: Oppose

Status: Assembly Appropriations Committee

SB 430 (Machado) California Earthquake Authority - SB 430 was introduced to improve the financial condition of the California Earthquake Authority (CEA) for earthquake events that occur due to the pending December 1, 2008, sunset of CEA's authorization to use one of the two "insurer assessment layers" for financing. This bill creates a new assessment for CEA by authorizing a new insurance assessment layer to last for 10 years beginning December 1, 2008, that will equate to a \$1.3 billion industry assessment that could be utilized to pay earthquake claims and expenses. This new assessment would be reduced by five percent per year after the first year, but the 10-year term and reduction could be extended for up to two additional years if the CEA pays at least \$500 million in claims as a result of a single earthquake event. This bill will become effective on July 1, 2008. C.A.R. supported SB 430 because the viability of the CEA is necessary to the availability of homeowners insurance in California.

Position: Support

Status: Signed by the Governor on October 5, 2007 (Chapter 303, Statutes of 2007)

SB 466 (Steinberg) Forest Resources - The Z'berg-Nejedly Forest Practice Act of 1973 regulates the conversion of timberland to uses other than the growing of timber. SB 466 would have specified the manner by which the environmental effects of forestland and timberland conversions could be mitigated. The bill would have authorized the State Board of Forestry and Fire Protection to adopt implementing regulations. C.A.R. opposed the bill because it would have required landowners with any type of forest (e.g., pine, oak, etc.), consisting of a canopy cover that spans a minimum of 10% of the property, to mitigate land use changes either by putting the forest or timberlands into a permanent conservation by easement or by paying a fee equaling two times the amount being converted to non-forestry uses.

Position: Oppose

Status: Died in the Senate Appropriations Committee

SB 634 (Wiggins) Williamson Act - The Williamson Act authorizes any city or county to enter into a contract with a property owner for the purpose of preserving agricultural land. C.A.R. opposed SB 634 because it contained a vague requirement for counties to impose "reasonable and necessary" restrictions on any residential use of Williamson Act lands. C.A.R. sought amendments to alleviate its concerns but the measure was amended in September 2006 to address an unrelated topic.

Position: Drop

Status: Died in the Assembly Agriculture Committee Due to Amendment

SB 698 (Torlakson) Eminent Domain - The Eminent Domain Law outlines a specific procedure that plaintiffs must complete in order to take possession of property through the use of eminent domain. Plaintiffs are required to file court documents and to include a statement describing the defendant's right to oppose the motion. Furthermore, plaintiffs are also required to serve the property owner with a copy of that motion, and the property owner is then permitted to oppose the motion and seek a separate hearing. SB 698 requires plaintiffs exercising eminent domain to provide a property owner with an informational pamphlet outlining the property owner's rights, as well as a description of the eminent domain process. C.A.R. supported SB 698 because it provides a new resource to property owners that will better inform them of their rights with regard to eminent domain.

Position: Support

Status: Signed by the Governor on October 10, 2007 (Chapter 436, Statutes of 2007)

SB 732 (Steinberg) Coastal Protection Bond Act of 2007 - Proposition 84, passed in 2006, makes \$5.4 billion in bond funds available for safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements. SB 732 would create the Sustainable Communities Council that would be responsible for the bond funds allocated for urban greening and planning grants and incentives for the development of regional and local land use plans including a grant program for the development of parks associated with housing. C.A.R. did not favor SB 732 because the establishment of a new and ongoing state-level council is unnecessary to achieve what should be a relatively simple task of distributing the Proposition 84 funds. The bill would have made the process of distributing funds more complex and complicated by the establishment of this council. The amendments taken in September 2007 assure that the new council would not impinge on local governments' land use authority, and has satisfied C.A.R.'s concerns.

Position: Watch as Amended

Status: Assembly Floor Inactive File

SB 838 (Cogdill) Fire Prevention and Protection - The Department of Forestry and Fire Protection is required to assist local governments in preventing wildland fire and vegetation management problems within the department's budgetary limitations. SB 838 would have authorized the Department of Forestry and Fire Protection to award grants to the California Fire Safe Council to implement community-based wildfire threat reduction and prevention programs. C.A.R. supported this bill because it would have funded programs to serve communities that could potentially be threatened by wildfires.

Position: Support

Status: Died in the Senate Appropriations Committee

SB 884 (Lowenthal) Coastal Commission Communications - A re-introduction of SB 929 from last session, SB 884 would have required anyone that communicated with the California Coastal Commission (CCC) and earned \$2,000 in a calendar month to conform to the lobbyist registration requirements of the Political Reform Act if they represented more than one client per year. This would have included any expert meeting with the CCC to explain technical reports and would have subjected them to registration as a lobbyist and additional fees. C.A.R. opposed SB 884 because it discouraged permit applicants from hiring representation by creating burdensome paperwork, strict reporting requirements, and additional fees. The bill also discouraged the CCC and their staff from interacting with experts and professionals hindering the commission's ability to make well-informed decisions. As amended, the bill only prohibits a CCC member from accepting a gift or gratuity from an applicant applying for approval of a coastal development permit, thus removing C.A.R.'s opposition.

Position: Watch as Amended

Status: Signed by the Governor on October 13, 2007 (Chapter 663, Statutes of 2007)

SB 1165 (Kuehl) Environmental Impact Reports - Environmental impact reports (EIRs) are prepared for development projects to identify the impact that the project may have on the environment. Current law does not place an expiration date on the validity of EIRs. SB 1165 would limit the term in which an EIR is valid to 5 years and would apply this time limitation to all projects, including those with no new information or change in circumstance. C.A.R. opposes SB 1165 because it would increase litigation without increasing environmental protections and hinders home construction, and development, throughout the state.

Position: Oppose

Status: Senate Appropriations Committee

SB 1231 (Correa) Fire Safety - Existing law requires a person who owns, leases, controls, operates a building or structure to also maintain a firebreak in a state responsibility areas. This bill requires the Office of the State Fire Marshal (SFM) to develop model defensible space guidelines for local jurisdictions to use in the enforcement of the state's existing defensible space requirements and permits the enforcing local agency to recover its abatement costs by placing a special assessment or lien on the property. The bill requires the SFM to develop a Wildland-Urban Interface Products compliance manual that outlines products and construction systems that would comply with the Wildland-Urban Interface Fire Safety building standards. This measure requires the Director of Forestry and Fire Protection to report to the Legislature before March 31, 2009, on the benefits of establishing fire risk maps. C.A.R. supports SB 1231 because many of the existing defensible space requirements are not enforced by local jurisdictions and this measure seeks to give the tools and means to local government to ensure that homes in "high" and "very-high" hazard zones are protected from wildland fires.

Position: Support

Status: Senate Governmental Organization Committee

SB 1386 (Lowenthal) Carbon Monoxide Detectors - SB 1386 would require ALL existing homes to install a carbon monoxide (CO) detector by July 1, 2010, and new homes built after June 1, 2009 install a CO detector. The measure would originally have required the recording of a separate disclosure of compliance acting as a de facto point-of-sale mandate and would have effectively forced home sellers and their agents to certify CO alarm installation. C.A.R. has obtained amendments to remove the specified point-of-sale mandate. C.A.R. obtained a commitment from the author to accept amendment language which will treat CO detectors like auto-reversing garage doors and other safety features disclosed in the Transfer Disclosure Statement (TDS). As amended, the bill will provide for a statewide, date-certain mandate for CO detectors in all housing (not just those that transfer), and will allow the CO detector to be noted in a (TDS). Even better, the amendments will apply the same rule to smoke detectors and water heater strapping eliminating the need for separate disclosures for water heater strapping and smoke detectors. These changes will reduce the number of disclosure forms required in order to complete a transaction, and protect sellers and agents from inadvertent liability.

Position: Oppose Unless Amended

Status: Senate Governmental Origination Committee

SB 1595 (Kehoe) Fuel Management Fire Protection - Existing law requires a person who owns, leases, operates, or maintains a building or structure within a state responsibility area to maintain a firebreak for at least 30 feet, and additional vegetation management up to 100 feet, from the structure. SB 1595 would apply these provisions to any land within a very high fire severity zone and further requires the irrigation of all living plants in both the 30 foot and 100 foot zones of defensible space. However, in areas of water shortages, local agencies would be permitted to require further thinning and pruning in lieu of irrigation. The bill would allow the director of Cal-Fire to remove live and dead vegetation on state and private lands and to restrict private property owners from accessing their property when an area is determined to be infested with insect pests or plant diseases that are injurious to forest growth. C.A.R is seeking amendments that would not restrict a property owner from accessing their property.

Position: Amend

Status: Senate Appropriations Committee

SB 1631 (Ackerman) Public Works Environmental Complaints - This bill would, for public works projects, make it a misdemeanor punishable by a fine up to \$1,000 and/or imprisonment in a county jail for a period up to six months for any person to file, threaten to file, or fund, any environmental complaint or protest regarding the of development land, when the objective is to obtain or extract money or property from the entity seeking the building permit. The bill provides an exemption for the remediation of an environmental issue on the real property being developed.

C.A.R. will support this bill if it is amended to include private residential and commercial construction.

Position: Amend Support

Status: Senate Governmental Organization Committee

Taxation

AB 239 (DeSaulnier) Transfer Tax - Originally a re-introduction of SB 521 from 2006, AB 239 would have authorized Contra Costa County to impose a document recording fee surcharge of \$1 per page after the first page on the recordation of real estate related documents. As amended, AB 239 would have authorized Contra Costa County, as well as San Mateo County, to impose a flat \$25 document recording fee on all real estate related documents that are longer than one page. The revenue collected would have been used for the development of affordable housing for extremely low, very low, lower and moderate income households. C.A.R. has historically viewed document recording fees as "transfer taxes" if they apply to the recording of documents facilitating the transfer of property. C.A.R. opposed AB 239 because it imposed a document recording fee without exempting documents already subject to the documentary transfer tax, and because the funds generated by the document recording fee would have been used for purposes which bear no relation to document recording. In April 2008, AB 239 was amended to address a non-real estate related matter.

Position: Watch as Amended

Status: Senate Local Government Committee

AB 293 (Strickland) Homeowners' Property Tax Exemption Increase - Currently, when property owners calculate their annual property taxes they are entitled to an exemption of \$7,000 from the full value of the dwelling. AB 293 proposed to increase this exemption to \$22,000 and would adjust this exemption annually based on changes in the Housing Price Index in California. This measure also made the constitutionally required comparable change to the renter's credit. C.A.R. supported AB 293 because homes in California generally cost in the hundreds of thousands of dollars, and the current exemption of \$7,000 results in only a minimal reduction in property taxes. Furthermore, AB 293 benefited both homeowners and renters with a reduction in their taxes.

Position: Support

Status: Died in the Assembly Revenue and Taxation Committee

AB 351 (Smyth) Senior Citizen Property Tax Exemption - Existing property tax law provides for a homeowners' exemption in the amount of \$7,000 of the full value of a "dwelling." AB 351, which was a re-introduction of AB 2738 from 2006, would have increased this exemption to \$27,000 for individuals 62 years of age and older. Additionally, the existing Personal Income Tax Law authorizes a \$120 credit for married couples or heads of households renting a unit, and a \$60 credit for those renters whose adjusted gross income is \$25,000 or less. AB 351 also sought to increase this credit to \$151 for senior citizen couples that are at least 62 years of age renting a unit, and would authorized a \$75 credit for senior citizen renters, at least 62 years or age, whose adjusted gross income is \$25,000 or less. C.A.R. supported AB 351 because senior citizens are generally on limited fixed incomes and the current \$7,000 exemption does little to alleviate the property tax burden that comes with homes that generally, in California, have assessed values in the hundreds of thousands of dollars.

Position: Support

Status: Died in the Assembly Revenue and Taxation Committee

AB 388 (Gains) Homeowners' Property Tax Exemption Increase - Existing law entitles property owners to an exemption of \$7,000 from the full value of their home when calculating their property taxes. AB 388 would have increased this exemption to \$25,000, and provided for a comparable change to the renter's credit. C.A.R. supported AB 388 because it would have benefited both homeowners and renters with a reduction in their taxes. Furthermore, the current exemption of \$7,000 results in a minimal reduction in property taxes because homes in California generally cost hundreds of thousands of dollars.

Position: Support

Status: Died in the Assembly Revenue and Taxation Committee

AB 393 (Coto) Mortgage Insurance Tax Deduction - Current law allows for qualified residence interest to be tax deductible. AB 393 would have brought California into conformance with federal law by treating premiums paid for qualified mortgage insurance in 2007 as a qualified residence interest. C.A.R. supported this bill because homeowners would have been able to also deduct mortgage insurance premiums on their income tax returns.

Position: Support

Status: Died in the Assembly Appropriations Committee

AB 495 (Tran) Homeowners' Property Tax Exemption - Existing law entitles property owners to an exemption of \$7,000 from the full value of their home when calculating their property taxes. AB 495 would have increased this exemption to \$25,000 for individuals 62 years of age and older. This bill also provided for a comparable change to the renter's credit. C.A.R. supported AB 495 because it would have benefited both homeowners and renters with a reduction in their taxes. Furthermore, the current exemption of \$7,000 results in a minimal reduction in property taxes because homes in California generally cost hundreds of thousands of dollars, which is particularly a problem for senior citizens on fixed incomes.

Position: Support

Status: Died in the Assembly Revenue and Taxation Committee

AB 972 (Walters) Homeowners Property Tax Exemption - Existing property tax law provides for a homeowners' property tax exemption in the amount of \$7,000 of the full value of a dwelling. This bill would have increased the amount of this property tax exemption to 25% of the full value of a dwelling's purchase price. Additionally, the existing Personal Income Tax Law authorizes a \$120 credit for married couples or heads of households renting a unit, and a \$60 credit for those renters whose adjusted gross income is \$25,000 or less. Beginning on January 1, 2008, AB 972 would have adjusted the renter's credit to \$1,000 for married couples with incomes of less than \$50,000 and to \$500 for individual's whose adjusted gross income is \$25,000 or less. C.A.R. supported this measure because it would have benefited both homeowners and renters with a reduction in their taxes. Furthermore, the current exemption of \$7,000 results in a minimal reduction in property taxes because homes in California generally cost hundreds of thousands of dollars.

Position: Support

Status: Died in the Assembly Revenue and Taxation Committee

AB 1574 (Houston) Private Transfer Tax – An interim hearing may be held during the fall to investigate the imposition of private transfer taxes (PTTs) by developers. AB 1574 was the builder-sponsored response to C.A.R. sponsored SB 670. A loophole in California law lets developers and other non-government entities impose PTTs on homes every time the property is sold – with no oversight, no accountability and no limit on the number of separate private transfer taxes that can be piled onto a home. As introduced, AB 1574 legitimized the practice of imposing these “taxes” by making that loophole permanent. As amended, AB 1574 requires that the Department of Real Estate provide oversight of the imposition of PTTs and allows PTT revenue to

only be directed to a public entity or a nonprofit organization providing a public benefit within the property's region. AB 1574 allows the PTT to be imposed for a period up to 99 years, allocates a maximum of 10 percent of the proceeds for administrative costs, caps the amount of the PTT at two percent of the home sale price and prohibits the use of PTT funds for lobbying. C.A.R. continues to oppose AB 1574 because it legitimizes PTTs.

Position: Oppose

Status: Senate Judiciary Committee

AB 1646 (DeSaulnier) Public Health Districts - AB 1646 would authorize county boards of supervisors to establish public health districts that would be charged with providing disease prevention, surveillance, and containment. The county board of supervisors would either sit as the district's governing board, appoint the governing board or require the board to be elected by the voters of the district. The bill had also granted the board the authority to levy a parcel tax, subject to voter approval, to fund the establishment and administration of the public health district. C.A.R. opposed the utilization of a parcel tax to fund the health district because the cost of addressing public health needs should be borne across society and not just by property owners alone. The author removed the use of a parcel tax as a funding source, thus removing C.A.R.'s opposition.

Position: Drop

Status: Senate Rules Committee

AB 1918 (Niello) Cancellation of Mortgage Indebtedness - Recently, the federal government enacted the Mortgage Debt Relief Act of 2007 which permits 3 years of mortgage debt relief by not requiring borrowers to pay income tax on debt forgiven in a "short" sale. This statute will apply to tax years from January 1, 2007 through January 1, 2010. C.A.R. supports AB 1918 because it provides the same three years of debt relief that the federal statute allows.

Position: Support

Status: Assembly Revenue and Taxation Committee

AB 2256 (Duvall) Homeowners Property Tax Exemption - Existing property tax law provides for a homeowners' property tax exemption in the amount of \$7,000 of the full value of a dwelling. AB 2256 would increase the amount of this property tax exemption to \$75,000 of the full value of a dwelling's purchase price with annual adjustments based on changes in the Housing Price Index for California. Additionally, the existing Personal Income Tax Law authorizes a \$120 credit for married couples or heads of households renting a unit, and a \$60 credit for those renters whose adjusted gross income is \$25,000 or less. This bill would adjust the renter's credit to \$1,286 for married couples with incomes of less than \$50,000 and to \$643 for individual's whose adjusted gross income is \$25,000 or less. AB 2256 also requires the Franchise Tax Board to annually adjust this credit for inflation, based upon the Consumers Price Index. C.A.R. supports this measure because it will benefit both homeowners and renters with a reduction in their taxes. Furthermore, the current exemption of \$7,000 results in a minimal reduction in property taxes because homes in California generally cost hundreds of thousands of dollars.

Position: Support

Status: Assembly Revenue and Taxation Committee

AB 2579 (Niello) Property Tax Base Year Value Transfers - Proposition 60 allows a homeowner 55 years of age or older to transfer – on a one-time basis – their property tax base year value to another home of equal or lesser value. Currently, married homeowners can transfer their property tax base year value to another home if one of the spouses qualifies for the benefit; however, the non-qualifying spouse forevermore loses their ability to transfer the property tax base year value to a home they own to another home. AB 2579 addresses this inequity by amending the existing statute so that the non-qualifying spouse is not considered a "claimant" of

the Proposition 60 benefit. C.A.R. supports the additional clarification because seniors are often on fixed and/or limited incomes and cannot afford increases in property taxes. Additionally, a divorce can wreak havoc with individuals' finances and that should not be compounded by a statute that fails to recognize that marriages don't always last forever.

Position: Support

Status: Assembly Revenue and Taxation Committee

AB 2705 (Jones) Mello-Roos Districts - The Mello-Roos Community Facilities Act authorizes the establishment of community facilities districts and the levying of special taxes to finance provision of several services, including police protection, flood and storm management, fire protection, etc. This bill would add public transit services to the types of services that may be financed using Mello-Roos. C.A.R. will oppose AB 2705 until it is amended to add the same additional vote now required by the Mello-Roos statute for funding recreational services. Arguably, all of the services that can now be funded by a Mello-Roos district are public safety oriented and do not require a separate vote to be funded; the exception is recreational services, the funding of which must be approved by a separate vote. Consequently, the same separate vote now required for funding recreational services should also apply to transit services.

Position: Oppose Unless Amended

Status: Assembly Local Government Committee

SB 984 (Ashburn) Homeowners' Property Tax Exemption Increase - Existing law allows a person who is over 55 years of age or severely disabled to transfer the base year value of their property to a replacement dwelling of equal or lesser value if that property is located within the same county as the original property, and is purchased or newly constructed within 2 years of the sale of the original property. A replacement dwelling purchased under this provision may not exceed 105% or 110% of the full cash value of the original property during the first and second year, respectively, after the sale of the original property. SB 984 would have instead given counties the option of using changes in the Housing Price Index for California to determine if the replacement dwelling was of equal or lesser value than the original home. C.A.R. supported this bill because the use of the Housing Price Index would more accurately reflect the increased cost of purchasing or constructing a replacement dwelling.

Position: Support

Status: Died in the Senate Revenue and Taxation Committee

SB 1007 (Machado) Exchange Facilitators - Currently, 1031 exchange facilitators are largely unregulated at both the state and federal levels of government. SB 1007 would require exchange facilitators to maintain either a minimum of a \$1 million fidelity bond or deposit a minimum of \$1 million cash, securities or irrevocable letters of credit in an interest-bearing account. The bill would require all exchange funds be deposited in a qualified escrow account or qualified trust that would permit withdrawals from that account only upon written authorization. Additionally, since exchange facilitators act as a custodian for all exchange funds they will be required to invest those funds in investments that meet a prudent person standard that satisfies the investment goals of liquidity and preservation of principal. Finally, SB 1007 permits exchange facilitator clients to file a civil claim on the facilitator bonds, deposits, or letters of credit if the exchange accommodator fails to fulfill their contractual duties. C.A.R. supports SB 1007 because it not only provides necessary regulation to an industry that has been largely unregulated, but will serve to protect consumers who are conducting 1031 exchanges.

Position: Support

Status: Assembly Rules Committee

SB 1055 (Machado) Cancellation of Mortgage Indebtedness - Recently, the federal government enacted the Mortgage Debt Relief Act of 2007 that permits 3 years of mortgage debt

relief by not requiring borrowers to pay income tax on debt forgiven in a “short” sale. This statute will apply to tax years from January 1, 2007 through January 1, 2010. SB 1055 would provide limited conformity to federal income tax laws by mortgage debt relief only for tax years 2007 and 2008. C.A.R. will support SB 1055 if it is amended to provide the same 3-year of debt relief that the federal statute allows.

Position: Support if Amended
Status: Assembly Rules Committee

SB 1458 (Senate Local Government Committee) County Service Area Law - Originally enacted in 1953, the County Service Area Law governs nearly 900 special districts, allowing county boards of supervisors to deliver services and build facilities in the communities that want them. Although a useful concept, the 55-year old state has become outdated. C.A.R. supports SB 1458 because it will provide a comprehensive update of the statute to make its provisions more efficient and workable.

Position: Support
Status: Senate Floor

SCA 18 (Torlakson) Education Finance District Vote Threshold Reduction - SCA 18 would decrease the vote required for the imposition of a special tax from a two-thirds vote to a simple majority for education finance districts. C.A.R. opposes SCA 18 because California voters have clearly stated that special taxes should only be approved by a two-thirds vote and, given the “voter fatigue” that has occurred in recent elections because of the large number of propositions placed on ballots, issues on which the voters have already clearly spoken should not further clutter already full ballots.

Position: Oppose
Status: Senate Revenue and Taxation Committee **C.A.R. Policy Positions**

C.A.R., through its policy committees and Board of Directors, may take any of nine different positions on pending legislation. These positions range from strongest opposition to the strongest possible support through sponsorship. The positions are set out below:

- **SPONSOR** - The proposal is required in order to further C.A.R. policy objectives and is worthy of the highest prioritization and allocation of C.A.R. resources.
- **SUPPORT** - The proposal is consistent with C.A.R. policy and is so beneficial that it merits an unsolicited expenditure of legislative resources. It is relatively rare for such legislation to be introduced unless C.A.R. input has been solicited in advance of its drafting.
- **SUPPORT IF AMENDED** - The proposal is one of interest to C.A.R., but does not merit active support. Like its counterpart in opposition, it connotes a lower priority of resource allocation and represents a target of opportunity rather than a concerted legislative campaign.
- **OPPOSE** - The proposal is one so offensive to C.A.R. policy that it cannot avoid C.A.R. opposition by any amount of amendment. This position may be adopted to make a statement as to the depth of opposition or to keep a policy issue squarely before the Legislature and not confused by tempering amendments.
- **OPPOSE UNLESS AMENDED** - The proposal is one that cannot be reconciled with C.A.R. policy in its present form, but may be salvaged by amendment. The position calls for a more conciliatory posture from legislative staff than “OPPOSE”, and tends to receive a lower priority than the all out attack that results from undiluted opposition.

- **NOT FAVOR** - The proposal is inconsistent with C.A.R. policy, but opposition is of a lower priority than either “oppose” positions. Opposition will be expressed as resources are available, but an active campaign will not be waged. Position is relatively common in the situation where an objectionable bill has been watered down to the point that active opposition is no longer merited, but the bill is still flawed.

- **FAVOR** - The proposal is a good idea based upon its consistency with C.A.R. policy goals, but does not merit active support. In addition, there is no particular amendment to be sought that would raise it to a higher level of support. Position is relatively common and will usually result in a public statement of support if a request is received from the legislative author.

- **AMEND** - Staff will seek changes in the proposal to be more consistent with C.A.R. policy, but support will not result from the amendment, nor will the bill be opposed if the changes are rejected.

- **WATCH** - The proposal involves an area of interest to C.A.R., but is not one that merits the expenditure of lobbying resources to either pass or defeat it. This position is often the result of “OPPOSE UNLESS AMENDED” being successfully pursued.