



2016 Legislative Review by first tuesday



Real estate bills passed by the California legislature in 2016:

Bill	Subject	Description	Effective Date
SB 710	Identifying the responsible broker	On signs and advertisements requiring a responsible broker's identity, a California Bureau of Real Estate (CalBRE) licensee may identify a responsible broker by the broker's name, or both their name and CalBRE license number.	August 29, 2016
AB 685	License eligibility for unlicensed real estate practitioners	An unlicensed person fined or cited by the CalBRE for unlawfully engaging in activities requiring a CalBRE license cannot be eligible for licensure until they have paid the fines and complied with the terms of the citation.	January 1, 2017
SB 1196	License suspension for guilty pleas	The CalBRE may suspend a real estate license if the licensee pleads guilty to a felony or crime related to the qualifications or duties of a real estate licensee.	January 1, 2017

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AB 1381	License exclusion for outdoor ad reps	Outdoor advertising representatives who do not otherwise engage in real estate activities requiring a real estate license are not required to obtain a real estate license from the CalBRE.	January 1, 2017
AB 1750	Environmental hazard disclosures	Environmental hazard disclosure delivery rules apply to both sales and leases of one-to-four unit residential properties, when the lease term is more than one year. This clarification does not impose any additional duties.	January 1, 2017
AB 1974	Rerecording documents	Any document rerecorded by a county recorder to correct a recording sequence or make a minor correction is to be presented with a corrective affidavit and cover sheet stating the reason for rerecording.	January 1, 2017
AB 499	Disclosures for residential earthquake insurance	An insurance provider's offer to renew a residential earthquake insurance policy with reduced coverage or substantially different coverage than the current policy triggers the need to provide to the homeowner a standalone disclosure of the changes.	January 1, 2017
AB 2291	Fees for partial property tax payments	County boards of supervisors may charge a fee to property owners who make property tax payments under partial payment arrangements.	January 1, 2017
SB 983	Trustee's fees in a nonjudicial foreclosure	The maximum base trustee's fees for nonjudicial foreclosures are increased by \$50.	January 1, 2017

Bill	Subject	Description	Effective Date
SB 918	CID unit owners and address updates	<p>A common interest development (CID) unit owner is required to provide to their homeowners' association (HOA) an annual written notice of:</p> <ul style="list-style-type: none"> • primary and alternate addresses for receiving HOA notices; • the name of any legal representatives who can be contacted in lieu of the CID unit owner in the owner's extended absence; and • whether the unit is owner-occupied, rented, developed but vacant or undeveloped. 	January 1, 2017
AB 1150	Mortgage and foreclosure rights for successors	<p>Before a mortgage servicer may record a notice of default (NOD) on a one-to-four unit principal residence after being notified of the owner's death by a successor, the mortgage servicer needs to make a written request for proof of the owner's death and the successor's ownership interest, and provide the successor information about the mortgage within ten days of receiving the proof.</p>	January 1, 2017
SB 1007	Transcription requests during arbitration	<p>An arbitration participant has the right to request a shorthand transcription of the arbitration proceedings.</p>	January 1, 2017
AB 2881	180-day bar on landlord's repossession after bedbug notice	<p>A landlord who increases rent, decreases services, causes a tenant to leave the rented premises or initiates eviction proceedings within 180 days of receiving a tenant's notice of suspected bedbug infestation is barred from recovering possession of a residential rental property within that 180-day period.</p>	January 1, 2017

Bill	Subject	Description	Effective Date
AB 2819	Public access to unlawful detainer records	An unlawful detainer (UD) action filing and case records are public record when a landlord prevails within 60 days of the filing and are available by court order when the landlord prevails more than 60 days after the filing.	January 1, 2017
SB 996	Welfare exemption limit for property taxes	The welfare exemption limit for nonprofit corporations is increased for qualifying residential rental properties.	January 1, 2017
AB 1722	LLC dissolution	A limited liability company (LLC) may be dissolved by a vote of 50 percent or more of the voting interests of the LLC members.	January 1, 2017
SB 1005	“Spouse” includes registered domestic partners	“Spouse” now also refers to registered domestic partners, and replaces “husband and wife” in California law, including laws controlling advertising, bankruptcy, homestead declarations, senior housing, real estate ownership, real estate disclosures, investment, probate, taxation and title.	January 1, 2017
AB 1650	Licensee identification on advertising	Real estate licensees are required to provide their name, CalBRE license number, Nationwide Mortgage Licensing System (NMLS) ID number (if applicable) and their responsible broker’s identity (name, or name and license number) on all solicitation materials.	January 1, 2018
AB 2330	CalBRE’s broker-associate public records	A broker-associate’s CalBRE public record will identify their employing broker(s). Employing brokers need to notify the Real Estate Commissioner in writing when they commence or terminate employment of a broker-associate.	January 1, 2018

Bill	Subject	Description	Effective Date
AB 1807	CalBRE disciplinary actions	<p>A CalBRE licensee may petition the CalBRE to remove disciplinary action from the CalBRE's public records page if:</p> <ul style="list-style-type: none"> • the disciplinary action has been posted for at least ten years; • the licensee provides the CalBRE with proof they no longer pose a risk to the public; and • the licensee pays a fee to the CalBRE. 	January 1, 2018
AB 1645	First lien private mortgage insurance	Private mortgage insurers are permanently able to insure more than 30% of a first lien secured by a one-to-four unit property without obtaining reinsurance from another private mortgage insurer.	January 1, 2018
AB 2208	Housing elements over city- or county-owned units	A city or county preparing the housing element in its general plan needs to consider airspace above sites owned or leased by the city or county as land suitable for residential development.	January 1, 2018



Notable housing ballot measures passed in 2016:

Jurisdiction	Title	Description
Los Angeles (city)	Measure JJJ: Affordable Housing and Labor Standards Initiative	Imposes minimum affordable housing requirements, training standards, and labor and wage regulations on development projects requiring zoning changes, including a requirement to preserve affordable housing units in developments with ten or more units.

Jurisdiction	Title	Description
Los Angeles (city)	Measure HHH: Homelessness Reduction and Prevention, Housing and Facilities Bond	Issues \$1.2 billion in bonds to fund housing and facilities for homeless people, paid for by increased property taxes.
Alameda County	2016 Alameda County Affordable Housing Bond	Issues \$580 million in bonds for affordable local housing, paid through increased property taxes.
Orange County	Affordable Housing Bond	Issues \$5 million in bonds to create 1,000 affordable housing units, paid through increased property taxes.
Santa Clara County	Measure A: Affordable Housing Bond	Issues \$950 million in bonds to create or preserve up to 5,000 affordable housing units, paid through increased property taxes.
San Francisco (city)	Proposition J: Homelessness Services and Transportation Funds	Allocates \$50 million per year to homelessness services and \$101.6 million per year to transportation services for 24 years, both adjusted annually and funded by increased sales tax.
San Diego (city)	Measure M: Increase in Affordable Housing	Increases the maximum number of housing units the city is permitted to develop or acquire for people with low incomes.
San Francisco (city)	Proposition C: Affordable Housing Bond Issue	Repurposes unused seismic upgrade bond funds to acquire and improve at-risk multi-unit residential buildings in need of upgrades and convert them to permanent affordable housing.
Sonoma County	Measure K: Community Separators Protection Ordinance	Requires voter approval to remove or amend General Plan provisions that prevent development and density increases on 17,000 acres of rural open space land designated as "community separators."