



# 2024 California Laws Affecting Real Estate

A brief summary of some recently passed laws covering topics such as ADUs being sold as condominiums, listing agreements, disclosures, remote online notarization, and more.



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Source: California Legislative Information website, <http://leginfo.legislature.ca.gov>

**Below are summaries of new state laws that may affect real estate licensees and applicants. Unless otherwise noted, the laws take effect January 1, 2024.**

### **AB-1345: Residential Exclusive Listing Agreements Act.**

This law prohibits 1) exclusive listing agreements on residential 1 to 4 properties lasting longer than 24 months from the date the agreement was made; 2) renewing an exclusive listing agreement on the above-mentioned type for longer than 12 months from the date the renewal was made; 3) automatic extensions on of exclusive listings on any type of residential property and 4) recording or filing an exclusive listing agreement for residential property of any duration.

The 24-month prohibition applies to exclusive listings on residential one to four properties, condos, and manufactured homes.

Other prohibitions will apply to exclusive listings on any type of residential property even where the property is improved with more than four units. It also deems any licensed real estate professional who violates these prohibitions as having violated that person's licensing laws.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB1345](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1345)

### **AB-968: Single-family residential property: disclosures.**

Flippers of residential 1 to 4 properties must disclose recent repairs and renovations to the property in addition to all other existing disclosures. Applies to properties that are resold within 18 months of closing. Standard TDS categories, exemptions, and cancellation rights apply. EFFECTIVE JULY 1, 2024

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB968](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB968)

### **AB-1033: Accessory dwelling units: local ordinances: separate sale or conveyance.**

Allows local agencies to adopt ordinances to allow the separate conveyance of an ADU from the primary residence as a condominium.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB1033](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1033)

### **SB-976: Accessory dwelling units: owner-occupancy requirements.**

Makes permanent the existing prohibition on local government's ability to require owner-occupancy on a parcel containing an Accessory Dwelling Unit (ADU).

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB976](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB976)

### **AB-12: Tenancy: security deposits.**

Landlords may collect no more than one month's rent for either furnished or unfurnished units in addition to the first month's rent. There is an exception for small landlords, defined as a landlord who is a natural person or LLC and owns no more than two residential rental properties with no more than a total of four units offered for rent.

EFFECTIVE JULY 1, 2024

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB12](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB12)

### **SB-696: Notaries public.**

This law establishes a framework for licensed California notaries to conduct remote online notarizations (RON), including provisions for the licensure of remote online notarization platforms by the Secretary of State and requirements relating to data security and privacy in online notarial transactions. California notaries will be authorized to perform RON once the Secretary of State certifies the technology project (but no later than January 1, 2030).

However, California will provide clear recognition of notarial acts performed by persons outside of California if performed in conformity with the laws of that jurisdiction beginning January 1, 2024.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240SB696](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB696)

### **SB-890: Property taxation: change of ownership and base year value transfers.**

Prop 19 cleanup: Applies Prop 19 to subsequent transfers of ownership interests in a mobile home park or floating home marina following tenant acquisition.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB890](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB890)

### **AB-434: Housing element: notice of violation.**

The California Department of Housing and Community Development is now responsible for providing notification of housing law violations in 13 additional categories of housing law including local government ministerial approval, permit denial, ADU conveyance, commercial to residential use permitting, ministerial approval of housing splits and affordable housing.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB434](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB434)

### **SB-469: Housing: publicly funded low-rent housing projects.**

Adds exclusions to the requirement that any publicly funded low rent housing project receive voter approval by the people in the city or county in which the project will be situated.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB469](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB469)

### **AB-584: California Coastal Act of 1976: coastal development: emergency waiver.**

The California Coastal Act previously exempted improvements of \$25,000 or less if necessary to protect life and public property from imminent danger. This exemption limit is now increased to \$125,000 which amount will be adjusted annually for inflation pursuant to the consumer price index.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB584](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB584)

### **AB-323: Density Bonus Law: purchase of density bonus units by nonprofit housing organizations: civil actions.**

Limits the ability of developers to sell deed-restricted units intended for owner-occupancy to purchasers that would rent the unit.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB323](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB323)

**Source:** California Legislative Information website, <http://leginfo.legislature.ca.gov>

### **AB-821: Planning and zoning: general plan: zoning ordinance: conflicts.**

Requires a local agency to approve developments that are consistent with its general plan even if not consistent with the applicable zoning ordinance, or to amend the zoning ordinance to make it consistent with the general plan within 180 days. Provides a legal remedy to ensure compliance.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB821](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB821)

### **SB-423: Land use: streamlined housing approvals: multifamily housing developments.**

Ministerial approval process under SB 35 is extended by 10 years to sunset in 2036 and expanded to apply to cities in coastal zones and to cities without a compliant housing element per HCD.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240SB423](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB423)

### **AB-1485: Housing element: enforcement: Attorney General.**

The Attorney General has an unconditional right to intervene without court permission in lawsuits brought by third parties for alleged violations of state housing laws.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB1485](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1485)

### **AB-684: Land use: streamlined approval processes: development projects of 10 or fewer residential units on urban lots under 5 acres.**

Requires a local government to ministerially approve, without discretionary review or a hearing, a parcel map or a tentative and final map for a housing development project where the proposed subdivision will result in 10 or fewer parcels and the housing development project on the lot proposed to be subdivided will contain 10 or fewer units.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB684](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB684)

### **AB-1620: Costa-Hawkins Rental Housing Act: permanent disabilities: comparable or smaller units.**

Allows a jurisdiction with local rent control to require an owner of a rent-controlled unit to allow a tenant with a permanent physical disability to relocate to an available comparable or smaller unit located on an accessible floor of the property and retain their same rental rate.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB1620](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1620)

### **AB-1764: Housing omnibus.**

Option to provide receipts for tenant screening fees by email when both landlord and tenant agree to it first.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB1764](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1764)

### **SB-267: Credit history of persons receiving government rent subsidies.**

Landlord must offer "ability to pay" in lieu of reliance on credit history and reports in assessing a tenant's rental application when prospective tenant is receiving a government rent subsidy such as a Section 8 rental voucher. offer "ability to pay" in lieu of reliance on credit history and reports in assessing a tenant's rental application when prospective tenant is receiving a government rent subsidy such as a Section 8 rental voucher.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB267](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB267)

### **SB-712: Tenancy: personal micromobility devices.**

SB 712 prohibits a landlord from prohibiting a tenant from owning personal micromobility devices or from storing and recharging up to one personal micromobility device in their dwelling unit for each person occupying the unit, subject to certain conditions and exceptions.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB712](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB712)

### **AB-1418: Tenancy: local regulations: contact with law enforcement or criminal convictions.**

Prohibits local ordinances that penalize tenants and landlords for various types of law enforcement contacts, i.e., local “crime free” rental housing programs and ordinances.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB1418](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1418)

### **SB-567: Termination of tenancy: no-fault just causes: gross rental rate increases.**

This law tightens up the requirements for a landlord to terminate a tenancy under the Tenant Protection Act (i.e., California statewide rent cap and just cause eviction law) for no-fault evictions based upon owner move-in or substantial remodeling. Additionally, an owner who violates the TPA by improperly terminating a tenancy or by raising rent beyond the maximum amount is liable for actual damages, reasonable attorney’s fees and costs (at the discretion of the judge), up to three times actual damages for willful violations and punitive damages. The Attorney General et al is authorized to seek injunctive relief.  
EFFECTIVE APRIL 1, 2024

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240SB567](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB567)

### **AB-1317: Unbundled parking.**

Requires landlords to unbundle parking from the price of rent for the life of the property. The agreement to lease the parking spot shall not be included in a rental agreement or addendum. “Unbundled parking” means the practice of selling or leasing parking spaces separate from the lease of the residential property. EFFECTIVE JANUARY 25, 2025

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB1317](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1317)

### **SB-478: Consumers Legal Remedies Act: advertisements.**

Makes it an unlawful business practice to advertise, display, or offer a price for a good or service that does not include all mandatory fees or charges (other than taxes or fees imposed by a government and postage or carriage charges that will be reasonably and actually incurred to ship the physical good to the consumer). EFFECTIVE JULY 1, 2024

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB478](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB478)

### **SB-33: Commercial financing: disclosures.**

Removes a sunset provision that applies to a requirement to disclose the cost of a commercial financing transaction expressed as an annualized rate. The requirement was scheduled to sunset on January 1, 2024. By removing the sunset, SB 33 requires commercial financing providers to provide the specified disclosure indefinitely.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB33](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB33)

**Source:** California Legislative Information website, <http://leginfo.legislature.ca.gov>

### **AB-225: Real property: environmental hazards booklet.**

Updates the state's Homeowners Guide to Environmental Hazards booklet to add, as resources permit, three new chapters related to wildfires, climate change, and sea level rise to provide consumers with valuable information regarding these risks.

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240AB225](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB225)

### **AB-1280: Fire hazard severity zones: disclosures.**

Expands the disclosures required by the Natural Hazard Disclosure Statement (NHD) to include High as well as Very High Fire Hazard Severity Zones (FHSZ) by explicitly highlighting three new subcategories of FHSZs. If the property is located in any of these zones, the defensible space and (for properties built before 2010) fire hardening disclosures would then be required.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB1280](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1280)

### **SB-553: Occupational safety: workplace violence: restraining orders and workplace violence prevention plan.**

Requires employers to establish, implement and maintain an effective workplace violence prevention plan (WVPP) that includes, among other elements, maintenance of incident logs, provision of specified trainings, and conduct of periodic reviews of the plan. EFFECTIVE JULY 1, 2024

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB553](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB553)

### **SB-505: Property insurance.**

SB 505 would require the association to develop and implement a similar clearinghouse program for commercial policies and will require the association to comply with privacy statutes and regulations, as specified, pertaining to the information collected in both of the clearinghouse programs. EFFECTIVE JULY 1, 2024

For more info: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320240SB505](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB505)

### **SB-699: Contracts in restraint of trade.**

Strengthens and clarifies current law against noncompetition agreements by making them unenforceable even if signed out of state; prohibiting an employer from attempting their enforcement; prohibiting an employer from entering into a void noncompetition agreement; and providing damages and enforcement mechanisms against employers that do any of the above.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB699](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB699)

### **AB-1076: Contracts in restraint of trade: noncompete agreements.**

Codifies existing case law by specifying that the prohibition on noncompete agreements is to be broadly construed to void noncompete agreements or clauses in the employment context no matter how narrowly tailored unless they satisfy specified exceptions. Additionally provides that a violation of the prohibition on noncompete agreements in employment constitutes unfair competition.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB1076](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1076)

### **SB-71: Jurisdiction: small claims and limited civil case.**

Small claims limit increased from \$10,000 to \$12,500 for natural persons among other limit increases.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB71](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB71)

### **SB-602: Trespass.**

Allows property owners to maintain a "no trespass" letter on file with local law enforcement for up to one year or for a time determined by local ordinance.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB602](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB602)

### **SB 537: Short-term lodging: advertising: rates.**

Prohibits a place of short-term lodging, as defined, from advertising, displaying, or offering a room rate that does not include all fees or charges required to stay at the short-term lodging, except government-imposed taxes and fees. EFFECTIVE JULY 1, 2024

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240AB537](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB537)

### **SB-644: Hotel and private residence rental reservations: cancellation: refunds.**

Requires short-term rentals (or a hosting platform, hotel, or third-party booking service) to allow a consumer to cancel a reservation within 24 hours without penalty if made at least 72 hours or more before the time of check-in and to have the funds refunded to the original form of payment.

For more info: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202320240SB644](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB644)



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