





August 12, 2021

The Honorable Anthony Portantino Chair, Senate Appropriations Committee State Capitol, Room 2206 Sacramento, CA 95814

Re: Assembly Bill 838 (Friedman): State Housing Law: Enforcement Response to Complaints
As Amended July 13, 2021 – OPPOSE UNLESS AMENDED
Set for hearing August 16, 2021 – Senate Appropriations Committee

Dear Senator Portantino,

The Urban Counties of California (UCC), the California State Association of Counties (CSAC), the League of California Cities (Cal Cities), and the Rural County Representatives of California (RCRC) have established an "Oppose Unless Amended" position on Assembly Bill 838, by Assembly Member Laura Friedman, which would make several changes to local building code enforcement processes and procedures.

Counties and cities support the overarching goal of AB 838 – to ensure that tenants have safe and healthy housing consistent with code requirements. While we have successfully worked with the author, her staff, and the sponsors over the past few months to resolve all of our concerns with the bill as introduced, the June 23 and July 13 amendments unfortunately create a new, significant issue for cities and counties related to recovering appropriate costs for building, zoning, and safety inspections. Our organizations have offered the author and sponsors amendments (language provided below) that would remove our opposition to the measure completely, but that language has been rejected to date.

The July 13 version of the measure stipulates that, "(e) a city or county shall not collect a fee, cost, or charge for any inspection, or report about, a property, unless the inspection reveals one or more material violations of Section 17920.10 or deems and declares the property substandard pursuant to Section 17920.3." The bill further states that, "(f) nothing in this section limits or alters the existing authority of a city, county, or city and county to impose fees on rental property owners to support a rental property inspection program, or to otherwise impose generally applicable charges, fees, or assessments to cover the costs of inspections or inspection reports required by this section."

While the language in subdivision (f) would allow a city or county to collect fees to recover some unreimbursable inspection expenses by incorporating those costs into the annual fees chargeable to landlords, subdivision (e) would actually require cities and counties to declare a property substandard in order to collect fees for most building violations (except lead paint), even when some violations are found. Additionally, not all jurisdictions levy annual fees on landlords, another means to keep rental property more affordable. If a city or

county does charge fees on rental property owners, arguably the provisions of this bill could increase those fees, likely passed on to the renters.

To resolve these issues, we request that the following language replace (e) and (f):

"(e) This section does not authorize the imposition of a fee, cost, or charge upon a property owner or property owner's agent for any inspection of or any inspection report about that owner's or agent's property pursuant to this section, and does not limit or prohibit the levy or collection of any fee, cost, or charge authorized by any other law including without limitation Section 54988 of the Government Code."

Again, UCC, CSAC, Cal Cities, and RCRC agree with the underlying premise of AB 838 – that every Californian has a desire to live in quality housing and that local governments enact building codes to ensure housing meets minimum health and safety requirements. However, we must remain opposed unless amended to address our significant concern related to cost recovery for inspections of potential code violations.

Should you have any questions, please do not hesitate to contact Christopher Lee (CSAC) at clee@counties.org, Jason Rhine (Cal Cities) at jrhine@counties.org, Jean Kinney Hurst (UCC) at jkh@hbeadvocacy.com, or Tracy Rhine (RCRC) at trhine@rcrcnet.org.

Sincerely,

Christopher Lee

California State Association of Counties

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League of California Cities

Jean Kinney Hurst

Urban Counties of California

Tracy Rhine

Rural County Representatives of California

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cc: The Honorable Laura Friedman, Member, California State Assembly

Honorable Members, Senate Appropriations Committee

Consultant, Senate Appropriations Committee

Consultant, Senate Republican Caucus