

NEW REAL ESTATE LAWS for 2021

All below laws are effective January 1, 2021 unless otherwise noted.



This information is only a partial list and is not a comprehensive explanation of the upcoming 2021 California laws. It is being provided solely as a courtesy and merely as a guide. The laws in their entirety can be found at: <http://leginfo.legislature.ca.gov/>

AB 3088—Tenancy Eviction Protection This law establishes eviction/foreclosure protections on a temporary basis for tenants and property owners facing financial hardships due to COVID-19. Existing law prescribes various requirements to be satisfied before the exercise of a power of sale under a mortgage or deed of trust. This bill, the Tenant, Homeowner, and Small Landlord Relief and Stabilization Act of 2020, would, among other things, until January 1, 2023, additionally apply those protections to an owner of residential real property that is occupied by a tenant, and contains no more than four dwelling units, and meets certain criteria, including that a tenant occupying the property is unable to pay rent due to a reduction in income resulting from coronavirus.

AB 3182— Limit HOAs' Ability to Restrict Home Rentals / Rental or leasing of separate interests: ADU's This bill limits the ability of a Common Interest Development (CID) to prohibit homeowners from renting/leasing their homes. HOAs are currently prohibited from creating new restrictions on the rental/lease of homes, but rental bans in place before Jan. 1, 2012, are currently allowed. This bill would remove the exemption for pre-2012 rental bans. Under the new law, any provision in a governing document "that prohibits, has the effect of prohibiting, or unreasonably restricts" the rental of any of the separate interests, accessory dwelling units ("ADU"), or junior accessory dwelling units ("JADU") in a community association is rendered unenforceable. The law allows associations to prohibit short term and transient rentals of 30 days or less, and allows associations to place a rental cap of (25%) of the separate interests (or greater) in the association. However, AB 3182 also states that if the owner lives in either the main residence or an ADU or JADU on the property, then the property does not count as a rental unit.

AB 2345— Planning and zoning: Density bonuses This bill revises a number of State Density Bonus Law provisions to provide additional entitlement benefits for projects that include qualifying affordable housing. Density bonuses are given to developers as incentives to build a certain percentage of homes as lower income housing units by the city and/or county.

SB 288— Exemption for sustainable transportation projects Extends the existing California Environmental Quality Act (CEQA) exemption for bicycle transportation plans and adds a new statutory exemption for transit-related projects.

AB 1561— Housing Entitlement Extension This bill extends by 18 months the period for the expiration, effectuation or utilization of a housing entitlement that was issued before, and was in effect on, March 4, 2020, and that will expire before Dec. 31, 2021. An entitlement is broadly defined as any legislative, administrative or any kind of approval, permit or "entitlement" relating to housing or housing development projects.

AB 1851— The "Yes In God's Back Yard" (YIGBY) This bill makes it easier for faith-based organizations to build affordable housing on their parking lots. The legislation would reduce or eliminate various local parking requirements that would otherwise preclude development of housing parking lots, and prevent cities from forcing faith-based organizations to later make up lost parking spaces when a parking lot is developed for housing.

AB 831— Modifications and Clarifications to SB 35's Streamlined Ministerial Approval Process This bill makes a number of amendments to SB 35 of 2017, a law that allows qualifying housing and housing-rich, mixed-use projects to qualify for a streamlined, ministerial CEQA-exempt approval process if the project meets the local government's objective zoning, subdivision and design review standards, provides a specific minimum number of affordable housing units, agrees to pay prevailing wages and use skilled and trained construction workers, and meets other qualifying criteria.

Prop 19— Property tax transfers, exemptions and tax revenue for wildfire agencies and counties amendment Effective April 1, 2021, allows homeowners 55 or older, those with severe disabilities, and victims of wildfires and natural disasters to transfer their tax assessments anywhere within the state of California to a primary residence of equal value with no property tax increase, or a more expensive primary residence with an upward adjustment within two years of the sale of the original primary residence. It also increases the number of times that these eligible homeowners can transfer their tax assessments from one to up to three times. And allocates additional revenue or net savings resulting from the ballot measure to wildfire agencies and counties. Effective February 16, 2021, this prop requires that inherited homes that are not used as principal residences, such as second homes or rentals, be reassessed at market value when transferred to children or grandchildren.

AB 725— Moderate-income and above moderate-income housing: Suburban and metropolitan jurisdictions This bill, commencing Jan. 1, 2022, would require that at least 25% of a metropolitan jurisdiction's share of the regional housing need for moderate-income housing be allocated to sites with zoning that allows at least 4 units of housing, but no more than 100 units per acre of housing. The bill would require that at least 25% of a metropolitan jurisdiction's share of the regional housing need for above moderate-income housing be allocated to sites with zoning that allows at least 4 units of housing. The bill would exclude unincorporated areas from this prohibition. This bill would impose a state-mandated local program.



NEW GENERAL LAWS for 2021

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AB 685— COVID Reporting New requirements for employers to notify their employees, employees of subcontracted workers, and union representatives of suspected and diagnosed cases of COVID-19 and also to report workplace “outbreaks” of COVID-19 to local health departments.

SB 1159— COVID Workers’ Comp Coverage This law, effective immediately as urgency legislation, extends the presumption of workers’ comp for COVID illnesses contracted by employees who work outside the home. This new law also provides new COVID reporting obligations for employers.

AB 2017— Kin Care Leave Existing law, Labor Code 233, provides that employees must be permitted to use at least half of their annual accrual of employer-provided sick leave for family reasons. This bill amends the law to provide that it is up to the employee’s “sole discretion” to designate leave to use for this purpose.

Minimum Wage in CA California’s statewide minimum wage will increase to \$14 per hour for employers with 26 or more employees, and \$13 per hour for employers with 25 or fewer employees. But note, some local ordinances (counties and cities) have higher minimum wage than the state law and eliminate any distinction based on employer size. When the local ordinance is more than the state’s, businesses must comply with the local ordinance.

SB 973— Pay Data Reporting This bill requires private employers with 100 or more employees to submit a pay data report to California’s Department of Fair Employment and Housing (DFEH) by March 31, 2021, and annually thereafter. The report must include information on the numbers of employees, by race, ethnicity and gender, who are employed in specified job categories. The report must provide pay band data for these workers. The purpose is to assist the DFEH in identifying discriminatory pay practices.

AB 2992— Expanded Protections/Domestic Violence, Sexual Assault Existing law provides employment protections and certain rights to time off of work for employees who are victims of domestic violence, sexual assault, and/or stalking. AB 2992 expands these laws to cover employees who are victims of “crime” or “abuse.”

AB 1947— Extension of Time to File Labor Commissioner Complaints This bill extends the time for employees to file complaints with the Labor Commissioner for claims that they were discriminated against or discharged in violation of Labor Code provisions enforced by the Labor Commissioner. The employee now has one year, instead of six months, to file a claim with the Labor Commissioner. This bill also allows an employee who prevails on a claim for certain types of retaliation to recover attorneys’ fees.

AB 2147— Convictions: expungement: Incarcerated individual hand crews This bill allows certain individuals with criminal convictions who have been released from custody and completed the CA Conservation Camp program to have their convictions expunged. This bill will allow for those individuals to more easily retain employment in firefighting after they have been released. Individuals who have been convicted of certain crimes, including murder and rape, are automatically ineligible.

SB 1383— California Family Rights Act SB 1383 repeals the California New Parent Leave Act (NPLA) and California Family Rights Act (CFRA), and instead implements a new CFRA. Under SB 1383, the CFRA will be expanded to cover any employer with 5 or more employees. Such employers will be required to grant employees up to 12 workweeks of unpaid protected leave during any 12-month period to bond with a new child of the employee or to care for themselves or a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner. This is also extended to the covered active duty or call to covered active duty of an employee’s spouse, domestic partner, child or parent in the Armed Forces of the United States.

