



California Department of Real Estate

1651 Exposition Boulevard
Sacramento, CA 95815
(877) 373-4542
www.dre.ca.gov

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Industry Advisory Summary of New Real Estate Laws

Sacramento – Below are summaries of new state laws that affect real estate licensees and applicants. Unless otherwise noted, the laws take effect January 1, 2023.

- [Assembly Bill \(AB\) 1410](#) disallows the governing documents of a homeowner's association (HOA) from prohibiting members and residents from discussing their common interest development (CID) on social media, including discussions that are critical of the association or governance. It also makes unenforceable any provisions of HOA governing documents that prohibit owners from renting a portion of the owner-occupied space for a period of more than 30 days. Lastly, it prevents an HOA from pursuing enforcement actions for violations during a declared emergency, if that emergency makes it unsafe to fix the violation; this will not apply in cases of nonpayment of assessments.
- [AB 1837](#) makes changes to the process established by Senate Bill 1079 in 2020, which allows existing tenants, prospective owner-occupants, nonprofit organizations, and local governments, among others, up to 45 days after a home foreclosure auction to make an offer that meets the winning bid. It modifies the types of nonprofit entities that qualify as eligible bidders and disallows certain limited liability companies, and all limited partnerships, from bidding. It also subjects homes purchased by certain eligible bidders to a recorded affordability covenant and creates an enforcement mechanism for the SB 1079 process through the Attorney General.
- [AB 2170](#) provides an initial 30-day window for eligible bidders to purchase properties acquired by lending institutions through foreclosure, also known as "real estate owned" (REO) properties. The bill requires institutions that foreclose on 175 or more properties per year to only accept offers from prospective owner-occupants, qualified non-profits, government entities, and other affordable housing providers for the first 30 days that an REO property is listed for sale. It also requires institutions to respond to each offer in writing and prohibits institutions from completing a bundled sale of more than one foreclosed property.

- [AB 2503](#) requires the California Law Revision Commission, by December 31, 2024, to deliver a study to the Legislature examining the establishment of consistent terminology in California law to describe the parties to an agreement, lease, or contract for the rental of residential real estate property, including mobile homes.
- [AB 2559](#) defines and specifies the elements that must be included in a reusable tenant screening report. If a landlord accepts a reusable screening report, the bill prohibits them from charging an application screening fee or a fee to access the reusable report. The bill does not require that landlords accept a reusable tenant screening report and any local rule that provides more protection to the applicant prevails.
- [AB 2745](#) changes the experience requirements to sit for the real estate broker exam. The bill requires that non-licensed, general real estate experience used to qualify for the exam occur within five years of the exam application date.
- [AB 2960](#) specifies that the real estate disclosure statement requirements in effect on the date the parties entered into contract shall be the requirements that apply to that sales contract. Any subsequent changes to the disclosure requirement statute after the parties enter into the sales contract will not apply to that contract unless the statute specifies otherwise.
- [Senate Bill \(SB\) 1005](#) clarifies the current Probate Code regarding how a guardian or conservator may bring an action to partition a property if the property is the conservatee's present or former personal residence. Partition actions involve one party of a jointly owned property who wants to sell their ownership rights.
- [SB 1017](#) clarifies current law about the tenancy protections for victims of domestic violence or abuse, their household members, and their immediate family members. This includes protections that allow victims to terminate their tenancy without penalty and protection from eviction based solely on those acts of violence or abuse. It also expands existing eviction protections to tenants whose family members are victims and to tenants who are victims of gun violence or other crimes causing bodily injury. Further, it expands the evidence a court can consider as proof of abuse or violence in eviction proceedings and establishes new court procedures to grant a partial eviction when the perpetrator of violence resides in the same unit as the victim. Lastly, the bill makes landlords liable in a civil action to the tenant for actual damages and for a fine of up to \$5,000 if they do not allow a victim, who follows proper noticing requirements, to terminate their tenancy without penalty.

- Beginning January 1, 2024, [SB 1495](#) will modify the required course content of the real estate practice course, which is required for all applicants for the real estate salesperson examination and broker examination. The course will now include the following additional elements:
 - A component on implicit bias, including education about the impact of implicit bias, explicit bias, and systemic bias on consumers; the historical and social impacts of those biases; and actionable steps students can take to recognize and address their own implicit biases.
 - A component on federal and state fair housing laws and their application to the practice of real estate, which also includes an interactive participatory component where the student role-plays as both a consumer and a real estate professional.

SB 1495 also extends from 30 to 45 the number of days a licensee has to publish a statement in a local newspaper when they decide to use a fictitious business name.

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