



# 2022/2023 CALIFORNIA LEGISLATION SUMMARY

We have identified and summarized some key Legislation significant to our industry as compiled from CLTA and Measures passed into law.

## Senate Bill 897 - Accessory Dwelling Units

This act requires that the standards imposed on accessory dwelling units be objective and defines "objective standard" as a standard that involves no personal or subjective judgment by a public official and is uniformly verifiable. The act also prohibits a local agency from denying an application for a permit to create an accessory dwelling unit due to the correction of nonconforming zoning conditions, building code violations, or unpermitted structures that do not present a threat to public health and safety and are not affected by the construction of the accessory dwelling unit.

For more information go to:  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220SB897](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB897)

## Senate Bill 1005 - Conservatorship

This act revises the provisions authorizing the sale of a conservatee's present or former personal residence, or the sale of other real or personal property of the estate, to specifically include the power to consent and agree to partition the personal residence or other real or personal property of the estate, and the power to bring an action for partition of the personal residence or other real or personal property of the estate. The act subjects partition of the conservatee's present or former personal residence to the same conditions as would be applicable to the sale of the residence under existing law.

For more information go to:  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220SB1005](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1005)

## Assembly Bill 1466 - Unlawful Covenants

Governor Newsom has signed into law Assembly Bill 1466, which requires that the county recorder of each county establish a program to identify and redact unlawfully restrictive covenants from California real property records. Among the various requirements imposed on county recorders under the program, recorders will be tasked with creating an implementation plan that outlines the methods by which they will carry out the unlawful restrictive covenants' identification and redaction.

For more information go to:  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220AB1466](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1466)

## Assembly Bill 1837 - Foreclosure

This act revises existing processes and extends its operation and the operation of the related provisions until January 1, 2031, and makes conforming changes. The act revises the definition of an eligible tenant buyer to, among other things, also describe natural people who are occupying property under a rental or lease agreement with a mortgagor's or trustor's predecessor in interest. The act also revises the requirements for an eligible nonprofit corporation and limited liability company to meet the definition of eligible bidder. The act expands affidavit and declaration requirements for eligible bidders if they are winning bidders to address new requirements that the act imposes regarding the use of properties as affordable housing and the treatment of tenants following purchase.

For more information go to:  
[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220AB1837](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1837)

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## Assembly Bill 2170 – Foreclosure Sale Requirements

This act prescribes requirements that would apply to sales of real property containing one to four residential dwelling units, inclusive, that is acquired through foreclosure under a mortgage or deed of trust by an institution or that is acquired at a foreclosure sale by an institution. The act requires the institution, during the first 30 days after a property is listed, to only accept offers from eligible bidders, and to respond, in writing, to all offers received from eligible bidders before considering any other offers.

For more information go to:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220AB2170](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2170)

## Assembly Bill 2245 – Partition of Real Property Act

This act enacts the Partition of Real Property Act, which renames the Uniform Partition of Heirs Property Act to the Partition of Real Property Act and expands the scope of existing law to apply to any real property held in tenancy in common, not just heirs, where there is no agreement in a record binding all the cotenants which governs the partition of the property.

For more information go to:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220AB2245](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2245)

## Assembly Bill 2625 – Subdivision Map Act

This act excludes various projects from its provisions, including the leasing of, or the granting of an easement to, a parcel of land, or any portion of the land, in conjunction with the financing, erection, and sale or lease of a solar electrical generation device on the land, if the project is subject to review under other local agency ordinances regulating design and improvement or if the project is subject to discretionary action by the advisory agency or legislative body.

For more information go to:

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220AB2625](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2625)

## Measure ULA – Los Angeles City Transfer Tax

Effective April 1, 2023, there will be a drastic increase in the transfer tax amounts by imposing an additional tax on the sale or transfer of "high value" real properties within the boundaries of Los Angeles city. A tax of 4 percent of the property's value will be imposed on the sale of properties valued between \$5 million and \$10 million. If the property is valued at \$10 million or more, the sale will be subject to a 5.5 percent tax. The value of the property for the purposes of the measure will include the value of any lien or encumbrance remaining on the property when it is sold. By way of example, starting on April 1, 2023, a seller of real property valued at \$100 million will pay \$5.5 million more in transfer taxes to the city. The property value threshold subject to the tax would be adjusted annually based on the Chained Consumer Price Index.

For more information go to:

[https://clkrep.lacity.org/election/Initiative\\_Ordinance\\_ULA.pdf](https://clkrep.lacity.org/election/Initiative_Ordinance_ULA.pdf)

## Measure GS – Santa Monica Transfer Tax

Effective March 1, 2023 Measure GS amends Santa Monica Municipal Code Chapter 6.96 to establish a new Third Tier Tax Rate for transfers of \$8,000,000 or more. The Third Tier Tax Rate would be \$56.00 per \$1000 of value transferred. This measure would add Chapter 4.90 to the Santa Monica Municipal Code to establish: (1) a Homelessness Prevention and Affordable Housing Fund; and (2) a new School Fund. These funds would be funded by the Third Tier Tax Rate. Out of the Third Tier Tax rate of 5.6%, 5% would be allocated to the School Fund and the Homelessness Prevention and Affordable Housing Fund ("Allocated funds") and the remaining 6% would go to the General Fund.

For more information go to:

<https://www.santamonica.gov/elections/2022-11-07/measures/measure-gs>

Information provided herein is sourced by California Land Title Association. The full interactive document can be viewed here:

<https://cdn.ymaws.com/www.clt.a.org/resource/resmgr/files/publications/summary/2022Summary.pdf>

For full Legislation information please visit: <https://leginfo.legislature.ca.gov/>



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