Assembly Bill 2406

Rental Registry Data Collection

Assemblymember Buffy Wicks (AD-15)

THIS BILL

This bill creates a statewide rental registry, through the Department of Housing and Community Development, to annually collect tenant and housing data from landlords.

THE ISSUE

The housing affordability crisis in California has reached unprecedented levels. As recently documented by UC Berkeley and the California Housing Partnership, 1 low- and moderate-income renters are being priced out of job- and transit-rich areas, resulting in multi-hour commutes or loss of access to key job markets. Households lucky enough to avoid displacement from these areas are often paying much more than half of their income to housing costs. The state has adopted some protections for renters in order to preserve their residences but lacks the comprehensive data on rent increases and terminations needed to develop the best policies because datasets that already exist are proprietary or incomplete. Unlike home ownership, there is not a statewide, by-unit rental housing database that provides the information policymakers need to understand the severity of the problem.

The Legislature and Governor have allocated significant financial resources and passed policies aimed at alleviating the housing crisis. In order to build on those commitments, the state must develop a data-driven system to track how the housing crisis is actually affecting rental trends and residents.

SOLUTION

AB 2406 requires the Department of Housing and Community Development (HCD) to create a rental registry online portal and rental registry form. Beginning January 1, 2022, landlords with five or more rental units are required annually to report the following information:

- 1. The legal address, unit number, number of rooms, occupancy status, and date of current occupancy of each rental unit.
- 2. The name and structure of the ownership entity, the members of the entity, and the year of acquisition.
- 3. The amount of rent and utility payments.
- 4. The effective date and amount of the last rent increase or decrease.
- 5. The number of tenants whose tenancies were terminated in the last year and the reasons for termination.
- 6. The number of days of occupancy and vacancy in the past calendar year.

To ensure compliance, landlords who fail to register are prohibited from raising rents or terminating tenancies.

SUPPORT

California Housing Partnership (Co-Sponsor)
TechEquity (Co-Sponsor)

CONTACT

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¹ <u>Rising Housing Costs and Re-Segregation in the San Francisco</u> <u>Bay Area</u>, February 2018.