2022 SUMMARY OF LEGISLATION

Courtesy of California Land Title Association

Of the 997 bills signed into law in 2022, 24 have been summarized as significant for the title industry.

The Summary is intended merely to provide shorthand references to selected bills of interest to the title industry. The actual chaptered versions should always be reviewed for specific details.

Copies of bill text, histories, committee analyses, voting records and veto messages are available from the California Legislature's official website at leginfo.legislature.ca.gov under the "Bill Information, 2021-22 Session" link. All bills summarized in this publication become effective January 1, 2023, unless otherwise noted.

ACCESSORY DWELLING UNITS

- Accessory Dwelling Unit Standards
- Junior Accessory Dwelling Units

Existing law authorizes a local agency, by ordinance or ministerial approval, to provide for the creation of accessory dwelling units in areas zoned for residential use. Existing law authorizes a local agency to impose standards on accessory dwelling units that include, but are not limited to, parking, height, setback, landscape, architectural review, and maximum size of a unit.

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.

This act requires a local agency to review and issue a demolition permit for a detached garage that is to be replaced by an accessory dwelling unit at the same time as it reviews and issues the permit for the accessory dwelling unit. The act prohibits an applicant from being required to provide written notice or post a placard for the demolition of a detached garage that is to be replaced by an accessory dwelling unit.

This act changes the height limitation applicable to an accessory dwelling unit subject to ministerial approval to 18 feet if the accessory dwelling unit is within a half-mile walking distance of a major transit stop or a high-quality transit corridor, or if the accessory dwelling unit is detached and on a lot that has an existing multifamily, multistory dwelling. The act changes the height limitation applicable to an accessory dwelling unit subject to ministerial approval to 25 feet if the accessory dwelling unit is attached to a primary dwelling. The act, if the existing multifamily dwelling exceeds applicable height requirements or has a rear or side setback of less than four feet, prohibits a local agency from requiring any modification to the existing multifamily dwelling to satisfy these requirements. The act prohibits a local agency from rejecting an application for an accessory dwelling unit because the existing multifamily dwelling exceeds applicable height requirements or has a rear or side setback of less than four feet.

This act also prohibits a local agency from imposing any parking standards on an accessory dwelling unit that is included in an application to create a new single-family dwelling unit or a new multifamily dwelling on the same lot, provided that the accessory dwelling unit meets other specified requirements.

This act requires a permitting agency to return in writing a full set of comments to the applicant with a list of items that are defective or

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deficient and a description of how the application can be remedied by the applicant, if the permitting agency denies an application for an accessory dwelling unit or junior accessory dwelling unit.

With respect to junior accessory dwelling units, this act would specify that enclosed uses within the proposed or existing single-family residence, such as attached garages, are considered a part of the proposed or existing single-family residence. The act requires a junior accessory dwelling unit that does not include a separate bathroom to include a separate entrance from the main entrance to the structure, with an interior entry to the main living area. The act also prohibits a local agency from denying an application for a permit to create a junior 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 junior accessory dwelling unit.

This act prohibits a local agency from denying a permit for an unpermitted accessory dwelling unit that was constructed before January 1, 2018, because, among other things, the unit is in violation of building standards or state or local standards applicable to accessory dwelling units, unless the local agency makes a finding that correcting the violation is necessary to protect the health and safety of the public or occupants of the structure. This act specifies that this prohibition does not apply to a building that is deemed substandard under specified provisions of law.

Chapter 644 (SB 897 – Wieckowski); amending Section 65852.22 of, adding Section 65852.23 to, and repealing and amending Section 65852.2 of, the Government Code, and amending Section 17980.12 of the Health and Safety Code.

BUSINESS ENTITIES

- Secretary of State Filings

Existing law:

1. Prohibits businesses whose name does not comply with certain requirements from registering with the California Secretary of State (SOS) until they adopt, for purposes of transacting business in this state, an alternate or assumed name.
2. Requires the location of a principal office, which is sometimes also referred to as principal business office, designated office, chief executive office, place of business, or principal executive office, to be included on various forms filed with the SOS.
3. Requires certificates of good standing, certificates of existence, and certificates that a name change was made in accordance with laws of the state or place of incorporation, declaration of trust, organization, or where formed to be filed with the SOS.
4. Prohibits the name of a limited partnership and a limited liability company from containing certain words, such as bank, insurance, trust, or corporation. Additionally prohibits the name of a limited liability company from including the words "insurer" or "insurance company" or any other words suggesting that it is in the business of issuing policies of insurance and assuming insurance risk.
5. Authorizes the SOS to cancel filings of articles of domestic corporations, nonprofit corporations, or cooperative corporations, applications and certificates of limited partnerships and foreign limited partnerships, the filing of the registration of a limited liability partnership and foreign limited liability partnership, the articles of organization of a limited liability company, and the application and certificate of registration of a foreign limited liability company upon written notification that the item presented for payment has not been honored for payment after an initial notice to the agent for service of process or to the person submitting the instrument. If the amount has not been paid, the SOS is required to give a second written notice of cancellation.
6. Requires a foreign corporation, foreign limited liability company, or foreign limited partnership, to provide certain information to the SOS when applying for a certificate to transact business in this state.
7. Requires, under the Commercial and Industrial Common Interest Development Act, each association, whether incorporated or unincorporated, to submit to the SOS specified information concerning the association and development that it manages. Requires the SOS to make the name, address, and either the daytime telephone number or email address of the association's onsite office or managing agent available only for governmental purposes and only to Members of the Legislature and the Business, Consumer Services, and Housing Agency, upon written request.

This act:

1. Streamlines terms used across business entities by:
   a) Changing references to assumed name to alternate name, and;
   b) Changing references to principal business office, designated office, chief executive office, place of business, or principal executive office to principal office.
2. Requires certificates of good standing, certificates of existence, and certificates related to a name change to be issued within the past six months from submission of application in California.
3. Prohibits, additionally, the name of a limited partnership from containing the words "insurer" or "insurance company" or any words suggesting that it is in the business of issuing policies of insurance and assuming insurance risks.
4. Authorizes the SOS to cancel filings of articles of domestic corporations, nonprofit corporations, or cooperative corporations, applications and certificates of limited partnerships and foreign limited partnerships, the filing of the registration of a limited liability partnership and foreign limited liability partnership, the articles of organization of a limited liability company, and the application and certificate of registration of a foreign limited liability company within 90 days of written notification that the item presented for payment has not been honored for payment.
   a) Clarifies that these provisions also apply to certificates effecting a conversion.
   b) Additionally applies these provisions to partnerships.
5. Requires a foreign corporation to provide the SOS the name of the corporation, and if it does not comply with naming requirements for corporations an alternate name, and a statement the foreign corporation is authorized to exercise its powers and privileges in its state of incorporation or organization.
6. Deletes the requirement for a foreign limited partnership and foreign limited liability company to provide the SOS the date of organization in the state or other jurisdiction where they are organized.
7. 7) Requires a foreign limited partnership to provide a statement that the foreign limited partnership is authorized to exercise its powers and privileges in the state or jurisdiction where it is organized.

8. 8) Deletes the requirement that the SOS make the name, address, and either the daytime telephone number or email address of the association's onsite office or managing agent available only for governmental purposes and only to Members of the Legislature and the Business, Consumer Services, and Housing Agency, upon written request, under the Commercial and Industrial Common Interest Development Act.
9. 9) Deletes the requirement under the Corporation Tax Law for the SOS to notify taxpayers that receipt of documents will be acknowledged and instead requires the SOS to provide the taxpayer a filing response in 21 days of receipt of the documents.
10. 10) Updates various obsolete or incorrect cross-references, and makes various other nonsubstantive changes.

Chapter 617 (SB 1202 - Limon); amending Section 23405.4 of the Business and Professions Code, amending Section 6760 of the Civil Code, amending Sections 109.5, 110.5, 177, 201, 202, 213, 301.5, 312, 402, 423, 509, 600, 601, 707, 709, 910, 1001, 1101, 1101.1, 1201, 1400, 1500, 1501, 1503, 1508, 1600, 1601, 1602, 1702, 2101, 2103, 2105, 2106, 2107, 2112, 2115, 2318, 2502.06, 2601, 3502, 5008.5, 5039.5, 5120, 5122, 5213, 5214, 5224, 5510, 5511, 5615, 5817, 6013, 6210, 7122, 7213, 7214, 7224, 7413, 7510, 7511, 7614, 7813.5, 8013, 8210, 9122, 9213, 9214, 9224, 9411, 9926, 12214.5, 12228.5, 12302, 12353, 12354, 12364, 12460, 12461, 12483, 12504, 12534, 12570, 12702, 15901.02, 15901.08, 15901.11, 15902.01, 15902.09, 15903.04, 15904.07, 15908.02, 15908.07, 15909.02, 15909.05, 15909.06, 15911.03, 15911.06, 16105, 16106, 16303, 16309, 16310, 16403, 16905, 16906, 16908, 16914, 16915, 16953, 16954, 16959, 16960, 16962, 17701.02, 17701.13, 17701.14, 17701.15, 17702.01, 17702.02, 17708.02, 17708.05, 17708.06, 17709.02, 17710.06, 18200, 21303, and 25211 of the Corporations Code, and amending Section 23331 of the Revenue and Taxation Code.

CIVIL ACTIONS

- Judgments by Confession

Existing law provides that a judgment by confession is enforceable and may be entered in any superior court without the filing of a civil action, either for money due or to become due, or to secure any person against a contingent liability on behalf of the defendant, or both. Existing law permits the judgment to be entered only if the defendant has signed and filed a written statement authorizing an entry of judgment, and the defendant's attorney has signed and filed a certificate stating the attorney has examined the proposed judgment and advised the defendant of the defendant's waiver of rights and defenses and to utilize the judgment by confession procedure. Existing law prescribes the procedure for entering a judgment by confession.

This act provides that a judgment by confession is unenforceable and may not be entered in any superior court. The act does not apply the foregoing provision to a judgment by confession obtained or entered before January 1, 2023. The act repeals the provisions setting forth procedures by which a defendant files for, and a superior court enters, a judgment by confession.

This act makes additional conforming changes.

Chapter 851 (SB 688 - Wieckowski); amending Section 1132 of, and repealing Sections 1133 and 1134 of, the Code of Civil Procedure, amending Sections 6103, 68085.1, and 70626 of the Government Code, and amending Section 4459 of the Probate Code.

- Coerced Debts

Existing law regulates various practices related to debt, including its sale and collection. Existing law also provides for various private rights of action.

This act requires a claimant, upon receipt from the debtor of adequate documentation and a sworn written statement that some or all of the debt being collected is coerced debt, to cease collection activities until the claimant completes a review. The act also prohibits a person from causing another person to incur a coerced debt, and makes a person who causes another person to incur a coerced debt civilly liable to the claimant. The act also creates a right of action that would allow a debtor to bring an action or file a cross-complaint against a claimant to establish that a particular debt, or portion thereof, is coerced debt.

If a debtor establishes that a particular debt, or portion thereof, is coerced debt, the act entitles that debtor to specified relief, including an injunction prohibiting the claimant from holding or attempting to hold the debtor personally liable on the particular debt, or portion thereof, that is coerced debt, or from enforcing a judgment related to the particular debt, or portion thereof, that is coerced debt against the debtor, and requires the court to issue a judgment in favor of the claimant against any person who coerced the debtor into incurring the debt.

This act does not apply to secured debts. For all other debts to which the act does apply, the act applies only to debts incurred on or after July 1, 2023.

The act declares that its provisions are severable, and defines various terms for these purposes.

Chapter 989 (SB 975 - Min); adding Title 1.81.35 (commencing with Section 1798.97.1) to Part 4 of Division 3 of the Civil Code.

COMMON INTEREST DEVELOPMENTS

- Enforceability of Governing Documents
- Restrictions on Rental and Leasing

Existing law regulates governing documents and protects certain uses of a homeowner's separate property. That law, among other things, prohibits an association from restricting specified rights of a homeowner. These rights include the right to peacefully assemble, to invite public officials or other speakers to discuss matters of public interest, to distribute literature related to common interest development living, and to rent or lease a separate interest unless the governing document or amendment that restricts a homeowner's right to rent or lease their separate interest existed prior to the homeowner acquiring title to the separate interest.

This act prohibits governing documents from prohibiting a member or resident of a common interest development from using social media or other online resources to discuss specified issues even if the content is critical of the association or its governance. The act additionally prohibits an association from retaliating against a member or a resident for exercising certain rights.

Under this act, an owner of a separate interest in a common interest development is not subject to a provision in a governing document that prohibits the rental or leasing of a portion of the owner-occupied

separate interest for more than 30 days, without regard to whether such restriction existed at the time the homeowner acquired title to the separate interest.

This act prohibits an association from taking any enforcement actions for the violation of governing documents during a declared emergency, except those actions relating to the homeowner's nonpayment of assessments, if the emergency makes it unsafe or impossible for the homeowner to either prevent or fix the violation.

Chapter 858 (AB 1410 - Rodriguez); amending Section 4515 of, and adding Sections 4739 and 5875 to, the Civil Code.

CONSERVATORSHIP

- Sale of Conservatee's Personal Residence

The Guardianship-Conservatorship Law generally establishes the powers and duties of a guardian or conservator of a person, an estate, or both. Under existing law, the court, in its discretion, may make an order granting a guardian or conservator any one or more or of specified powers if the court determines that, under the circumstances of the particular guardianship or conservatorship, it would be to the advantage, benefit, and best interest of the estate to do so. These powers include the right to commence and maintain an action for partition.

Existing law requires a conservator seeking authorization to sell a conservatee's present or former personal residence to notify the court of specified information, including that the personal residence is proposed to be sold and that the present or former personal residence is proposed to be sold and that the conservator has discussed the proposed sale with the conservatee. The court may authorize the sale of the personal residence only if it finds by clear and convincing evidence that the conservator demonstrated a compelling need to sell the residence for the benefit of the conservatee. Existing law also authorizes a guardian or conservatee to sell other real or personal property of the estate.

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.

Chapter 91 (SB 1005 - Wieckowski); amending Sections 2463, 2540, 2541, 2541.5, and 2591 of the Probate Code.

CORPORATIONS

- Conversion of a Corporation into Another Business Entity

Existing law specifies the process by which a corporation may be converted into a domestic other business entity if specified conditions are met.

This act instead provides that this process applies to the conversion of a corporation into a domestic other business entity, foreign other business entity, or foreign corporation. The act defines terms for purposes of these provisions, makes other conforming changes, and establishes the means by which an obligation of a corporation that has converted to a foreign corporation or foreign other business entity may be enforced.

Existing law requires a corporation that desires to convert to a domestic other business entity to approve a plan of conversion that includes, among other things, the jurisdiction of organization of the converted entity after conversion.

This act requires a corporation to also provide the name and form after conversion.

Existing law authorizes the Secretary of State to charge a fee to an entity not exceeding $150 for its conversion made under these provisions.

This act removes the authorization of the Secretary of State to charge a fee for corporate conversions.

Chapter 237 (SB 49 - Umberg); amending Sections 1150, 1151, 1152, 1153, 1155, and 1157 of, adding Section 1154 to, and repealing Section 1160 of, the Corporations Code.

ENHANCED INFRASTRUCTURE FINANCING DISTRICTS

- Climate Resilience Districts
- Formation
- Funding Mechanisms

Existing law authorizes certain local agencies to form a community revitalization authority (authority) within a community revitalization and investment area to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization. Existing law provides for the financing of these activities by the issuance of bonds serviced by property tax increment revenues and requires the authority to adopt a community revitalization and investment plan for the community revitalization and investment area that includes elements describing and governing revitalization activities.

Existing law authorizes the legislative body of a city or a county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance, including projects that enable communities to adapt to the impacts of climate change. Existing law also requires the legislative body to establish a public financing authority, defined as the governing board of the enhanced infrastructure financing district, prior to the adoption of a resolution to form an enhanced infrastructure district and adopt an infrastructure financing plan.

This act authorizes a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The act deems each district to be an enhanced infrastructure financing district and requires each district to comply with existing law concerning enhanced infrastructure financing districts. The act requires a district to finance

only specified projects that meet the definition of an eligible project. The act defines "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding. The act establishes project priorities and authorizes districts to establish additional priorities.

This act imposes certain requirements on a project undertaken or financed by a district. In this regard, the act requires a district to obtain an enforceable commitment from the developer that contractors and subcontractors performing the work use a skilled and trained workforce.

This act also authorizes specified local entities to adopt a resolution allocating tax revenues to the district. The act provides for the financing of the activities of the district by, among other things, levying a benefit assessment, special tax, property-related fee, or other service charge or fee consistent with the requirements of the California Constitution.

Existing law creates the Sonoma County Regional Climate Protection Authority, requires the authority to be governed by the same board as that governing the Sonoma County Transportation Authority, and imposes certain duties on the authority. Existing law authorizes the authority to apply for and to receive grants of funds to carry out its functions.

This act deems the Sonoma County Regional Climate Protection Authority a climate resilience district and grants the authority all of the powers available to such a district, except that the authority may not use any tax increment revenue unless it complies with the requirements for receiving and using tax increment revenue applicable to a new climate resilience district.

Chapter 266 (SB 852 - Dodd); adding Division 6 (commencing with Section 62300) to Title 6 of the Government Code.

FORECLOSURE

Existing law prescribes various requirements to be satisfied before the exercise of a power of sale under a mortgage or deed of trust and prescribes a procedure for the exercise of that power. Existing law authorizes a trustee, or their agent or successor in interest, upon the sale of property pursuant to a power of sale, to demand and receive from a beneficiary, or their agent or successor in interest, or deduct from the proceeds of the sale, specified reasonable costs and expenses that are actually incurred in enforcing the terms of the obligation and trustee's or attorney's fees. Existing law, until January 1, 2026, requires a specified notice to tenants and prescribes a process in connection with a trustee's sale of property under a power of sale contained in a deed of trust or mortgage on real property containing 1 to 4 residential units. Under existing law, if a prospective owner-occupant is the last highest bidder, the date upon which specified conditions required of the bidder at the trustee sale to become final are met.

Existing law requires the trustee to require the prospective owner-occupant to provide certain information confirming the owner-occupant's status. Existing law, until January 1, 2026, grants eligible tenant buyers and other eligible bidders certain rights and priorities to make bids on the property after the initial trustee sale, and potentially to purchase it as the last and highest bidder, subject to certain requirements and timelines, if a prospective owner-occupant is not the last highest bidder. Existing law requires prospective owner-occupants, eligible tenant buyers, and other eligible bidders to submit affidavits or declarations under penalty of perjury in connection with this process.

Existing law, until January 1, 2026, for purposes of the exercise of a power of sale as described above, prohibits a trustee from bundling properties for the purpose of sale, instead requiring each property to be bid on separately, unless the deed of trust or mortgage provides otherwise.

This act revises the process described above and extends its operation and the operation of the related provisions described above 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.

This act authorizes a trustee to deduct fees of $200 or one-sixth of one percent (1%) of the unpaid principal sum secured, whichever is greater, for providing services from the proceeds of the sale if an eligible tenant buyer or eligible bidder submits to the trustee either a bid or a nonbinding written notice of intent to place a bid. The act revises the dates when a trustee is to receive specified documents to account for weekends and holidays and prohibits a trustee, on the last day that bids are eligible to be received, from receiving any bid that is not sent by certified mail or overnight mail.

This act requires a trustee or its authorized agent to send specified information to the Attorney General if the winning bidder at a trustee sale to which this process applies is an eligible bidder. The act authorizes the Attorney General, a county counsel, a city attorney, or a district attorney to bring an action to enforce these provisions. The act specifies that the pendency of a determination of finality under the process described above is prohibited from causing termination of any hazard insurance coverage in effect at the time of the trustee's sale. The act requires specified successful eligible bidders at foreclosure sales subject to this process to subject properties to a recorded covenant that requires the property be sold at an affordable housing cost or rented at an affordable rent for lower income households for 30 years or a greater period of time.

Chapter 642 (AB 1837 - Mia Bonta); amending Sections 2924f, 2924g, 2924h, and 2924m of, amending, repealing, and adding Section 2924d of, and adding and repealing Section 2924o of, the Civil Code.

• Foreclosure Sale Requirements

Existing law prescribes various requirements to be satisfied before the exercise of a power of sale under a mortgage or deed of trust and prescribes a procedure for the exercise of that power. Existing law, until January 1, 2026, prescribes a process in connection with a trustee's sale of property under a power of sale contained in a deed of trust or mortgage on real property containing one to four residential units, inclusive, that provides specified bidding priorities to certain parties, including prospective owner-occupants.

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.

The act defines an eligible bidder as any of the following:

- A prospective owner-occupant, which the act further defines as a natural person that submits an affidavit or declaration stating

that they will maintain occupancy for at least one year, among other requirements.

- A nonprofit corporation that meets specified requirements.
- A community land trust based in California, as defined in clause (ii) of subparagraph (C) of paragraph (11) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code.
- A limited-equity housing cooperative, as defined in Section 817, that is based in California.
- The state, the Regents of the University of California, a county, city, district, public authority, or public agency, and any other political subdivision or public corporation in the state.

This act requires any eligible bidder to submit an affidavit or declaration with their offer to an institution.

This act also prohibits an institution from conducting a bundled sale, as defined.

Chapter 865 (AB 2170 - Grayson); adding Section 2924p to the Civil Code.

HOUSING

- Planning and Zoning
- Postentitlement Phase Permits

Existing law, the Permit Streamlining Act, which is part of the Planning and Zoning Law, requires each public agency to provide a development project applicant with a list that specifies the information that will be required from any applicant for a development project. The act requires public agencies to approve or disapprove of a development project within certain specified timeframes. Existing law requires a city, county, or special district to provide specified information, including a current schedule of fees, exactions, and affordability requirements applicable to a proposed housing development project, and an archive of impact fee nexus studies, cost of service studies, or equivalent studies, conducted by the city, county, or special district, on its internet website.

The Housing Accountability Act, among other things, prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, specified housing development projects, including projects for very low, low, or moderate-income households and projects for emergency shelters, that comply with applicable, objective general plan, zoning, and subdivision standards and criteria in effect at the time the application for the project is deemed complete, unless the local agency makes specified written findings supported by a preponderance of the evidence in the record. The act authorizes a project applicant, a person who would be eligible to apply for residency in the housing development or emergency shelter, or a housing organization to bring a lawsuit to enforce its provisions.

This act requires a local agency to compile a list of information needed to approve or deny a postentitlement phase permit to post an example of a complete, approved application and an example of a complete set of postentitlement phase permits for at least five types of housing development projects in the jurisdiction and to make those items available to all applicants for these permits no later than January 1, 2024. This act act also defines "local agency" for these purposes to mean a city, county, or city and county.

This act requires a local agency, beginning on specified dates determined by population size, to provide an option for postentitlement phase permits to be applied for, completed, and retrieved by the applicant on its internet website, and accept applications for postentitlement phase permits and any related documentation by electronic mail until that process has been established. This act also requires the local agency to list on their internet website or provide by electronic mail upon request, as applicable, the current processing status of the applicant's permit.

This act establishes time limits for completing reviews regarding whether an application for a postentitlement phase permit is complete and compliant, and whether to approve or deny an application and makes any failure to meet these time limits a disapproval of the housing development project and a violation of the Housing Accountability Act. This act also defines specified terms for its purposes.

The California Coastal Act of 1976 provides for the planning and regulation of development, under a coastal development permit process, within the coastal zone based on various coastal resources planning and management policies set forth in the act.

This act provides that the above provisions would not apply to permits required and issued by specified government agencies, including permits required and issued by the California Coastal Commission.

The Housing Accountability Act also requires a housing development project to be subject only to the ordinances, policies, and standards adopted and in effect when a preliminary application is submitted. Existing law specifies the act does not prohibit a housing development project that is an affordable housing project from being subject to ordinances, policies, and standards adopted after the preliminary application was submitted if the project has not commenced construction within three and a half years. Existing law defines "affordable housing project" for purposes of those provisions to mean a housing development in which units within the development are subject to a recorded affordability restriction for at least 55 years.

This act instead requires either that units within the development be subject to a recorded affordability restriction for at least 55 years for rental housing and 45 years for owner occupied housing or that the first purchaser of each unit participate in an equity sharing agreement.

This act also includes findings that changes proposed by this act address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, counties, and cities and counties, including charter cities, counties, and cities and counties.

Chapter 651 (AB 2234 - Robert Rivas); amending Section 65589.5 of, and adding Sections 65913.3 and 65913.3.5 to, the Government Code.

INSURANCE

- Title Marketing Representative Licensing Process

This act makes various changes to existing law related to insurance. Of particular interest to title companies, this act makes changes to existing law related to the title marketing representative application process. Specifically, existing law requires the Department of Justice to maintain state summary criminal history information, authorizes the Department of Justice to furnish that information to another agency, and makes it a crime to furnish that information to an unauthorized person. Existing law regulates the licensing and the renewal of licensing of insurance agents, adjusters, and brokers. Existing law requires an individual to apply with the Insurance Commissioner for a specified license using a form prescribed by the commissioner.

This act requires the commissioner to submit fingerprint images and related information regarding specified license applicants, including title marketing representatives, to the Department of Justice, and requires the Department of Justice to provide state or federal criminal history information for each applicant to the commissioner.

Chapter 424 (SB 1242 - Committee on Insurance); amending Section 1652 of the Insurance Code, as summarized herein.

- Enforcement of Restitution Orders
- Judgments

Existing law authorizes the Insurance Commissioner to bring a superior court action to enjoin a person who is violating or about to violate the Insurance Code. Existing law also authorizes the Commissioner to apply to the clerk of the superior court for a judgment to enforce an order requiring a person to pay a monetary penalty or reimburse the department for costs incurred by the department in prosecuting the matter.

This act authorizes the Commissioner to seek a judgment to enforce an order for restitution. The act authorizes the Commissioner to order a respondent, if certain requirements are met, to provide restitution for a loss arising from the respondent's conduct. With a restitution order, and if the facts and equity permit, the act also authorizes the Commissioner to issue an order of rescission enforceable on any person subject to the Commissioner's jurisdiction. The act requires the rescission or restitution order to be subject to judicial review.

Chapter 540 (SB 1040 - Rubio); amending Sections 12928.6 and 12976 of, and adding Section 12928.7 to, the Insurance Code.

JUDGMENTS

- Enforcement of Judgments
- Renewal and Interest

Existing law provides that a judgment is enforceable upon entry, except under specified conditions, and generally permits a judgment creditor to bring an action on a judgment, provided that it is brought within ten years. Existing law provides that the period of enforceability of a money judgment or a judgment for possession or sale of property may be extended by renewal of the judgment upon application by the judgment creditor filed with the court in which the judgment was entered. Existing law allows a judgment debtor to make a motion to vacate or modify the renewal within 30 days of service of a notice of renewal of the judgment.

This act increases the amount of days after service of the notice of renewal that a judgment debtor may make a motion to vacate or modify a renewal to 60 days. The act allows a judgment creditor to renew the period of enforceability in cases of a money judgment of under $200,000 that remains unsatisfied for a claim relating to medical expenses and for a money judgment of under $50,000 that remains unsatisfied for a claim related to personal debt only once and for a period of 5 years from the date the application is filed. The act prohibits a judgment creditor from bringing an action on those types of money judgments. The act prohibits an application for renewal of a judgment from being filed if the judgment was renewed on or before December 31, 2022.

Existing law provides that interest accrues at the rate of 10% per annum on the principal amount of a money judgment remaining unsatisfied in a civil action.

This act, for judgments entered on or after January 1, 2023, or where an application for renewal of judgment is filed on or after January 1, 2023, creates the exception that interest accrues at the rate of 5% per annum for a money judgment of under $200,000 that remains unsatisfied for a claim related to medical expenses and for a money judgment of under $50,000 that remains unsatisfied for a claim related to personal debt.

Chapter 883 (SB 1200 - Skinner); amending Sections 683.050, 683.110, 683.120, 683.160, 683.170, and 685.010 of the Code of Civil Procedure.

MORTGAGES AND DEEDS OF TRUST

This act, the Military and Veteran Consumer Protection Act of 2022, contains several provisions related to military veterans. Of particular interest to title companies, in the case of real property, this act provides the following:

1. Provides that deferred mortgage payments are due and payable upon the sale of the property or other event specified in the documents creating the obligation permitting the lender to accelerate the loan, other than a deferral of payments as authorized.
2. Deletes provisions of law relating to when mortgage payments delayed are due and payable and instead provides that in the case of an obligation payable in installments under a contract for the purchase of real estate, or secured by a mortgage or other instrument in the nature of a mortgage upon real estate, the obligation becomes due upon either of the following:
   - The sale of the property or other event specified in the documents creating the obligation permitting the lender to accelerate the loan, other than a deferment of payments authorized under the Act, or;
   - The further encumbrance of the property other than for preservation or protection of the property that would cause the obligation to become due and payable under the terms of the contract or other instrument evidencing the obligation.
3. That no foreclosure or repossession of property will take place during the deferment period unless ordered by a court or agreed to by the parties to the obligation.

Chapter 620 (SB 1311 - Eggman); adding Section 17206.2 to the Business and Professions Code, amending Section 116.540 of the Code of Civil Procedure, and amending Sections 401, 409, 409.3, 800, 802, and 804 of, and adding Section 408.1 to, the Military and Veterans Code.

PRIVACY

- Address Confidentiality

Existing law authorizes reproductive health care service providers, employees, volunteers, and patients to complete an application to be approved by the Secretary of State for the purposes of enabling state and local agencies to respond to requests for public records without disclosing a program participant's residence address contained in any public record and otherwise provide for confidentiality of identity

for that person, subject to specified conditions. Existing law requires an applicant seeking address confidentiality under this program due to their affiliation with a reproductive health care services facility to provide a certified statement signed by a person authorized by the reproductive health care services facility stating that the facility or any of its providers, employees, volunteers, or patients is or was the target of threats or acts of violence within one year of the date of the application.

This act authorizes an applicant seeking address confidentiality under this program to submit a certified statement by the employee, patient, or volunteer for a reproductive health care services facility that they have been the target of threats, harassment, or acts of violence, or a workplace violence restraining order issued because of threats or acts of violence connected with a reproductive health care services facility, instead of a certified statement from a representative of the reproductive health care services facility.

This act expands the address confidentiality program to include other individuals who face threats of violence or violence or harassment from the public because of their work for a public entity.

Existing law also requires a county elections official, upon application of a public safety officer and if authorized by the county board of supervisors, to make confidential an officer's residence address, telephone number, and email address appearing on the affidavit of registration.

This act creates a similar program for qualified workers, that includes a requirement to submit an application, signed under penalty of perjury, that they are a qualified worker and that a life-threatening circumstance exists to the worker or members of the worker's family. The bill would require the Secretary of State to submit an annual report to the Legislature that includes the total number of applications received for the program, the number of program participants within each county, and any allegations of misuse of the program relating to election purposes.

NOTE: This act took effect as an urgency statute on September 26, 2022.

Chapter 554 (SB 1131 - Newman); amending sections 2166.5, 12105.5, and 12108 of, and adding Section 2166.8 to, the Elections Code, amending Sections 6215 and 6215.2 of, and amending the heading of Chapter 3.2 (commencing with Section 6215) of Division 7 of Title 1 of, the Government Code.

PROPERTY TAXATION

- Taxable Value Transfers
- Disclosure and Deferment

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property, defined as the county assessor's valuation of real property as shown on the 1975–76 tax bill and, thereafter, the appraised value of the property when purchased, newly constructed, or a change in ownership occurs after the 1975 assessment, subject to an annual inflation adjustment not to exceed 2%. Existing property tax law authorizes, pursuant to constitutional authorization, on and after April 1, 2021, any person who is over 55 years of age, any severely and permanently disabled person, or a victim of wildfire or natural disaster who resides in property that is eligible for the homeowner's exemption or the disabled veteran's exemption to transfer the taxable value of that property to a replacement dwelling that is purchased or newly constructed as a principal residence within two years of the sale of the original property.

Existing property tax law provides for the payment of taxes on the secured roll in two installments, which are due and payable on November 1 and February 1, respectively. Under existing property tax law, unpaid property taxes become delinquent, and subject to a delinquent penalty of 10%. Existing property tax law, after the 2nd installment becomes delinquent, requires the tax collector to collect a cost of $10 for preparing the delinquent tax records and giving notice of delinquency and to prepare a delinquent roll. Under existing property tax law, the taxes, assessments, penalties, and costs on certain real property which have not been paid are declared to be in default at 12:01 a.m. on July 1.

This act requires, except as provided, payment of property taxes for a property to be deferred, without penalty or interest, if the property owner has claimed the property tax relief described above, but the county assessor has not completed its determination of the property's eligibility for that relief, and the person requests deferment with the county assessor within one calendar year, but before January 1, 2024, of receiving the first tax bill for the property. The act defers those property taxes until the county assessor has reassessed the property and a corrected tax bill has been prepared and sent to the property owner or the county assessor has determined the property is not eligible for the property tax relief. The act sets forth procedures for making payments following correction or determination of ineligibility.

This act also requires a disclosure to be printed on each tax bill for properties that have been purchased, newly constructed, or changed in ownership in the year preceding the tax bill. The act requires the disclosure to include information regarding the property tax relief and deferment procedures described above.

This act requires counties with a population of over 4,000,000, as determined by the 2020 federal census, to comply with the act's requirements. The act authorizes all other counties to comply with the act's requirements if the county's board of supervisors, after consultation with the county assessor, county auditor, county treasurer, and county tax collector, adopts a resolution to implement the requirements.

NOTE: This act took effect as an urgency measure on September 28, 2022.

Chapter 712 (SB 989 - Hertzberg); adding Section 2610.8 to, and adding and repealing Section 2636.1 of, the Revenue and Taxation Code.

REAL PROPERTY

- Partition of Real Property Act

Existing law authorizes an owner of an estate in real property to commence and maintain an action for partition of the property against all persons having or claiming interests in the estate as to which partition is sought. If the court finds that the plaintiff is entitled to partition, it is required to make an interlocutory judgment that determines the interests of all owners of the property and orders that the property be divided among those parties in accordance with their interests or sold with the proceeds divided among them.

The Uniform Partition of Heirs Property Act, effective January 1, 2022, changed existing law and requiredspecified procedures in an action to partition real property that is heirs property. Under the Uniform Partition of Heirs Property Act, if a cotenant requests partition by sale, cotenants who did not request the partition have the option to buy all of the interests of the cotenants that requested partition by sale, as specified. If all of those interests are not purchased or a cotenant who has requested partition in kind remains after purchase, the court is required to partition the property in kind or by sale, as specified. There are certain procedures to which the property is to be appraised and the court is permitted to apportion the costs of partition among the parties in proportion to their interests, but prohibits the apportionment of costs among parties that oppose the partition, except as specified.

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.

Chapter 82 (AB 2245 - Ramos); amending Sections 872.020, 874.311, 874.312, 874.313, 874.314, 874.316, 874.319, 874.320, 874.321, and 374.321.5 of, amending the heading of Chapter 10 (commencing with Section 874.311) of Title 10.5 of Part 2 of, and repealing Section 874.322 of, the Code of Civil Procedure.

RECORDING

- Notice and Recordation of a Decarbonization Charge

Existing law requires the State Energy Resources Conservation and Development Commission (Energy Commission) to undertake various actions in furtherance of meeting the state's clean energy and pollution reduction objectives. Existing law requires the Energy Commission to assess the potential for the state to reduce the emissions of greenhouse gases from the state's residential and commercial building stock by at least 40% below 1990 levels by January 1, 2030.

This act requires the Energy Commission, on or before December 31, 2023, to identify state and federal financing or investment solutions that will enable electrical corporations, community choice aggregators, or other eligible entities to provide zero-emission, clean energy, or decarbonizing building upgrades. The act also requires the Energy Commission to apply for federal financing or investment solutions, where applicable, and provide technical assistance to certain entities to apply for state and federal financing or investment solutions. The act requires the Energy Commission, on or before December 31, 2023, to prepare and submit a report to the relevant committees of the Legislature that describes any statutory changes necessary to improve access to federal funding for financing or investment solutions. The act would repeal these provisions on January 1, 2028.

Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations, while local publicly owned electric utilities and electrical cooperatives are under the direction of their governing boards. Existing law requires the commission, in consultation with the Independent System Operator, to establish resource adequacy requirements for all load-serving entities, defined to include electrical corporations, community choice aggregators, and electric service providers. The California Renewables Portfolio Standard Program requires the commission to establish a renewables portfolio standard requiring all retail suppliers, defined as including electrical corporations, community choice aggregators, and electric service providers, to procure a minimum quantity of electricity products from eligible renewable energy resources, as defined, so that the total kilowatt hours of those products sold to their retail end-use customers achieves 33% of retail sales by December 31, 2020, 44% by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030.

This act would require the commission, or the governing board of a local publicly owned electric utility or electrical cooperative, to require an energy supplier, defined as an electrical corporation, local publicly owned electric utility, electric service provider, community choice aggregator, or electrical cooperative, administering a decarbonization upgrade program or initiative, to record, no later than 30 days after funding a decarbonization upgrade, a notice of decarbonization charge with the county recorder of the county where the property subject to the decarbonization charge is located. The act requires an energy supplier, within 30 days of full cost recovery of the outstanding charges related to the recorded notice of decarbonization charge, to record a notice of the full cost recovery and removal of the decarbonization charge with the county recorder of the county where the property subject to the decarbonization charge is located. The act also requires an energy supplier, within 30 days of a decision by the energy supplier to cease collection of the charge, to record a notice of removal of the decarbonization charge with the county recorder of the county where the property subject to the decarbonization charge is located. If the subscriber's property is not owner-occupied, the act requires the energy supplier to incorporate in a written agreement between the energy supplier and the property owner related to installation of a decarbonization upgrade, a requirement that the property owner shall cause the obligation to pay the decarbonization charge to appear in the terms through which the property owner leases or licenses the property for occupancy.

Chapter 834 (SB 1112 - Becker); adding and repealing Section 25235 of the Public Resources Code, and adding Chapter 4.6 (commencing with Section 8375) to Division 4.1 of the Public Utilities Code.

SUBDIVISION MAP ACT

- Exemptions
- Electrical Energy Storage Systems

The Subdivision Map Act vests the authority to regulate and control the design and improvement of subdivisions in the legislative body of a local agency and sets forth procedures governing the local agency's processing, approval, conditional approval or disapproval, and filing of tentative, final, and parcel maps, and the modification of those maps.

The 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.

This act also exempts from the requirements of the Subdivision Map Act 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 an electrical energy storage system on the land, if the project is subject to discretionary action by the advisory agency or legislative body.

Chapter 212 (AB 2625 - Ting); amending Section 66412 of the Government Code.

TRUSTS AND ESTATES

- Disposition of Estates

Under existing law, upon the death of a person who is married or in a registered domestic partnership, half of the community property and quasi-community property belongs to the surviving spouse, unless the spouses have agreed in writing to divide the property in another manner. Existing law requires, with specified exceptions, that upon the death of a married person, the surviving spouse is personally liable for the debts of the deceased spouse. Under existing law, those debts are chargeable against the fair market value of property including community property, quasi-community property, and separate property that passes to the surviving spouse when the deceased spouse dies intestate and the property passes "without administration."

This act specifies that, in calculating the available amount of the community property, quasi-community property, and separate property that passes to the surviving spouse, "without administration" refers to property that passes to the surviving spouse without administration under the provisions relating to intestate succession. The act makes a conforming change to include community property with a right of survivorship within the scope of the act.

Existing law establishes procedures that authorize a person to receive property from a decedent's estate without probate administration, including both personal property and real property of small value. Under existing law, when the decedent's estate is being administered, or going through intestate administration procedures, a person who receives property from an estate may be personally liable for the decedent's unsecured debts, or the transfer may be subject to the claim of a person with a superior right.

This act recasts and revises various provisions relating to the transfer of property from a decedent's estate as described above, including generally identifying a person who takes property under the above circumstances as a "transferee" and defining other related terms. Among other changes, the act requires a transferee to make restitution to a person with a superior right to the property, but with respect to the decedent's debt, the act instead makes the transferee personally liable to the estate for a share of the decedent's debt. The act authorizes a transferee to voluntarily return property to the estate for administration.

The act revises the treatment of property returned by the transferee to the estate that has produced income while in the transferee's possession, by requiring the value of that income to be returned to the estate if the income would have accrued to the estate had the property not been transferred to the transferee.

Chapter 29 (AB 1716 - Maienschein); amending Section 682.1 of the Civil Code, and amending Sections 13109, 13110, 13113, 13117, 13204, 13205, 13208, 13211, and 13551 of, adding Sections 13100.5, 13109.5, 13110.5, 13113.5, 13114.5, 13202.5, 13204.5, 13205.5, 13208.5, and 13209 to, repealing Sections 13112 and 13207 of, and repealing and adding Sections 13111 and 13206 of, the Probate Code.

- Notifications

Existing law generally limits the time period within which a person may bring an action to contest a trust to no more than 120 days from the date the notification by the trustee is served upon the person, or 60 days from the day on which a copy of the terms of the trust is mailed or personally delivered to the person during that 120-day period, whichever is later.

This act specifies that the 120-day period described above only applies when a revocable trust becomes irrevocable upon the death of a settlor of the trust or because of a contingency related to the death of a settlor of the trust.

Chapter 30 (AB 1745 - Nguyen); amending Section 16061.8 of the Probate Code.

WILLIAMSON ACT

- Mutual Contract Rescission
- Solar-Use Easements

This act makes various changes to existing law related to local government. Of particular interest to title companies, this act makes changes to existing law related to the Williamson Act.

Specifically, under existing law, the Williamson Act authorizes a city or county to enter into 10-year contracts with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Existing law authorizes the parties to a Williamson Act contract to mutually agree to rescind a contract under the act in order to simultaneously enter into an open-space easement for a certain period of years.

This act authorizes the parties to a Williamson Act contract to mutually agree to rescind the contract in order to simultaneously enter into a solar-use easement. The act requires the city or county to charge the property owner a rescission fee based upon the fair market value of the property at the time of the rescission, and to transmit the fee to the Controller.

Chapter 427 (SB 1489 - Committee on Governance and Finance); adding Section 51255.1 to the Government Code, as summarized herein.

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