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INSIGHT · REAL PROPERTY

Tenant Protection Act in 2026: AB 1482, Local Ordinances, and Owner-Compliance Reality

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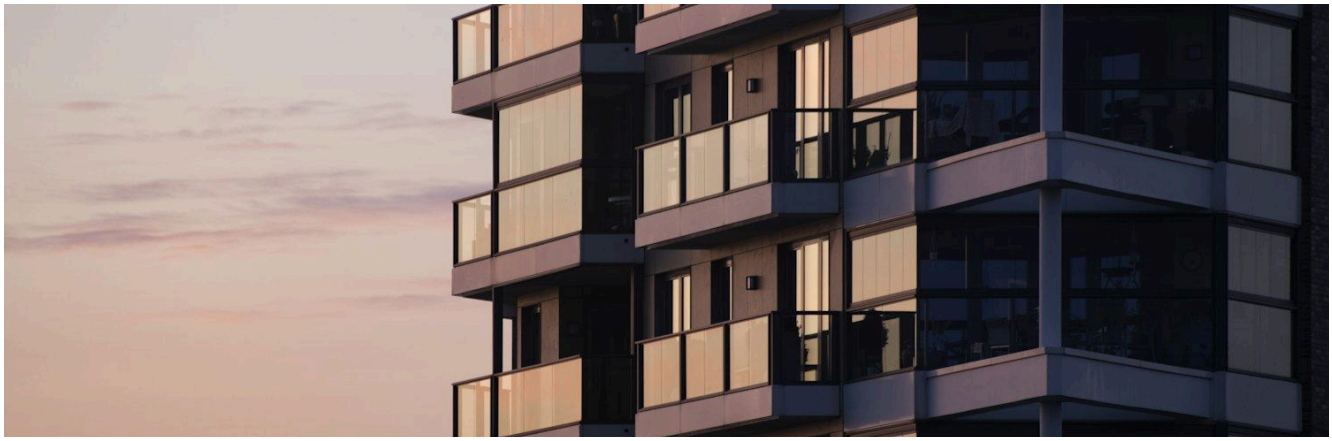

California's statewide rent cap and just-cause rules are scheduled to be repealed on January 1, 2030 unless the Legislature acts.

The Tenant Protection Act of 2019 placed two statewide limits on residential owners: a cap on rent increases in Civil Code section 1947.12 and a just-cause requirement for terminations in Civil Code section 1946.2. Senate Bill 567 rewrote parts of both sections effective April 1, 2024. This memorandum states the operative text as of November 2026 and its relation to local ordinances such as those of the City of Los Angeles.

I. Question Presented

What rent and eviction limits does the Tenant Protection Act impose on California residential owners in 2026, which properties are exempt, and how do the statewide rules interact with local rent and just-cause ordinances?

II. Short Answer

For covered units, an owner may not raise gross rent over any 12-month period by more than **5 percent plus the regional change in the cost of living, or 10 percent, whichever is lower**. After a tenant has lawfully occupied a unit for 12 months, the owner may terminate only for an enumerated **at-fault or no-fault just cause**, and a no-fault termination requires relocation assistance equal to one month's rent. Several categories are exempt, including qualifying single-family

homes and condominiums, but only if the owner gives the required written notice. SB 567 tightened the owner move-in and substantial remodel grounds and added treble damages and public enforcement. Both sections are repealed by their own terms on **January 1, 2030**.

III. Governing Law

A. The Rent Cap

Civil Code section 1947.12, subdivision (a), bars increases over a 12-month period of more than "5 percent plus the percentage change in the cost of living, or 10 percent, whichever is lower." The increase is measured against the lowest gross rent charged during the prior 12 months. Rent may be raised in no more than two increments in any 12-month period. On a new tenancy with no prior tenant remaining, the owner may set the initial rent. (Civ. Code, § 1947.12, subd. (b).)

The "cost of living" figure is the Consumer Price Index for All Urban Consumers for the metropolitan area where the property is located, including the Los Angeles-Long Beach-Anaheim area. Where no regional index is published, the California index from the Department of Industrial Relations applies. For increases effective on or after August 1, the change is measured from April of the current year to April of the prior year. For increases effective before August 1, it is measured one year earlier. (Civ. Code, § 1947.12, subd. (g).)

B. Just Cause

Civil Code section 1946.2, subdivision (a), applies once a tenant "has continuously and lawfully occupied a residential real property for 12 months." If additional adult tenants are added before an existing tenant reaches 24 months, the section applies only if all tenants have 12 months or at least one has 24 months.

At-fault grounds include nonpayment, breach of a material lease term, nuisance, waste, criminal activity on the property or a criminal threat directed at the owner or agent, refusal of lawful entry, assignment or subletting in violation of the lease, and refusal, after written request, to sign a renewal on similar terms. (Civ. Code, § 1946.2, subd. (b)(1).) For a curable lease violation, the owner must first give notice and an opportunity to cure. (*Id.*, subd. (c).)

No-fault grounds are owner or family move-in, withdrawal of the unit from the rental market, compliance with a government or court order, and demolition or substantial remodel. (Civ. Code, § 1946.2, subd. (b)(2).) For a no-fault termination, the owner must pay relocation assistance equal to one month's rent in effect when the notice issued, within 15 calendar days of service, or waive the final month's rent in writing. Failure to strictly comply renders the termination notice void. (*Id.*, subd. (d).)

C. Exemptions and the Required Notice

Both sections exempt specified categories. Under section 1947.12, subdivision (d), these include deed-restricted affordable housing, dormitories, units already subject to local rent control that limits increases more strictly, housing with a certificate of occupancy issued within the previous

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15 years, and certain owner-occupied duplexes. Section 1946.2, subdivision (e), contains a parallel list, including transient occupancy, shared kitchen or bath with a resident owner, and the 15-year new construction rule.

The single-family and condominium exemption is conditional. It applies only to separately alienable property not owned by a real estate investment trust, a corporation, or a limited liability company with a corporate member, and only if the tenant receives written notice. Under section 1947.12, the notice must state: "This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code," together with the additional statutory language. Section 1946.2 imposes a parallel notice requirement for its exemption, and subdivision (f) separately requires owners of covered property to give tenants a statutory notice of their rights in at least 12-point type.

IV. Analysis

A. SB 567 (Stats. 2023, ch. 290)

Senate Bill No. 567 (2023-2024 Reg. Sess.) was approved September 30, 2023. The Legislative Counsel's Digest states that its provisions "become effective on April 1, 2024." It made four principal changes.

- **Owner move-in.** The owner or a listed relative must occupy the unit as a primary residence "for a minimum of 12 continuous months." The notice must identify the intended occupant and the relationship. The occupant must move in within 90 days after the tenant vacates. If not, the owner must offer the unit back to the tenant at the same rent and terms and reimburse reasonable moving expenses beyond relocation assistance already paid. (Civ. Code, § 1946.2, subd. (b)(2)(A).)
- **Substantial remodel.** The work must replace or substantially modify a structural, electrical, plumbing, or mechanical system that requires a permit, or abate hazardous materials, and must require the tenant to vacate for at least 30 consecutive days. Cosmetic work does not qualify. The notice must describe the work, state its expected duration, and include copies of required permits. (*Id.*, subd. (b)(2)(D).)
- **Damages.** An owner who attempts to recover possession in material violation of section 1946.2 is liable for actual damages, discretionary attorney's fees and costs, and, for willful conduct or conduct involving oppression, fraud, or malice, up to three times actual damages plus possible punitive damages. (Civ. Code, § 1946.2, subd. (h).) An owner who collects rent above the cap is liable for the excess, trebled for willful conduct or conduct involving oppression, fraud, or malice. (Civ. Code, § 1947.12, subd. (k).)
- **Public enforcement.** The Attorney General and the city attorney or county counsel may seek injunctive relief under both sections.

B. Sunset

Section 1947.12 "shall remain in effect until January 1, 2030, and as of that date is repealed." (Civ. Code, § 1947.12, subd. (o).) Section 1946.2 contains a parallel repeal date. As of November 2026, no amendment extending either date was located in the text reviewed.

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C. Developments After Mid-2025

Assembly Bill No. 246 (2025-2026 Reg. Sess.), Statutes 2025, chapter 337, approved October 6, 2025, did not amend sections 1946.2 or 1947.12. It added Civil Code section 1946.3. According to the Legislative Counsel's Digest, until January 20, 2029, a tenant in a nonpayment unlawful detainer may raise a "Social Security hardship" defense based on a federal interruption of benefits. If proved, the court must stay the case, and the tenant must pay the arrearage or agree to a payment plan within 14 days after benefits resume.

Assembly Bill No. 1529 (2025-2026 Reg. Sess.), Statutes 2025, chapter 203, did amend section 1946.2. According to its Legislative Counsel's Digest, it allows the tenant notice described above to be provided in the lease or rental agreement itself.

D. Local Ordinances

The two sections treat local law differently. Under section 1946.2, subdivision (i), a local just-cause ordinance adopted on or before September 1, 2019 applies in place of the statute. An ordinance adopted or amended after that date applies only if it is more protective and the local body makes a binding finding to that effect. A property is not subject to both. Section 1947.12 instead exempts housing already subject to local rent control that restricts increases more than subdivision (a). It does not expand or limit local authority to adopt rent regulation consistent with the Costa-Hawkins framework, Civil Code section 1954.50 and following. (Civ. Code, § 1947.12, subds. (d), (m).)

In the City of Los Angeles, the Los Angeles Housing Department states that the Rent Stabilization Ordinance generally covers rental properties "first built on or before October 1, 1978," with single-family homes that are the only structure on a parcel excluded. Units outside the RSO may be covered by the City's Just Cause Ordinance. The Department also reports that, effective February 2, 2026, RSO landlords may no longer add a utilities-related percentage to the allowable increase. An owner must therefore classify each unit before applying any cap or termination ground.

V. Practical Considerations

- **Exemption notices.** The single-family and condominium exemptions fail without the statutory notice. Confirm ownership structure and notice delivery for each unit.
- **Calculating the cap.** Use the correct regional index and the April-to-April period tied to the effective date of the increase. Identify the lowest rent charged in the prior 12 months.
- **No-fault terminations.** Pay relocation assistance within 15 calendar days of service or waive the final month in writing. Strict compliance is required.
- **Owner move-in.** Identify the occupant in the notice and document occupancy within 90 days and for 12 months.
- **Remodel.** Obtain permits before serving notice, and attach them.
- **Local law first.** In Los Angeles and other cities with ordinances, determine whether the local ordinance or the statute governs before serving any notice.

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VI.

Authorities Cited

- Civ. Code, § 1946.2
- Civ. Code, § 1947.12
- Sen. Bill No. 567 (2023-2024 Reg. Sess.), Stats. 2023, ch. 290
- Assem. Bill No. 246 (2025-2026 Reg. Sess.), Stats. 2025, ch. 337
- Assem. Bill No. 1529 (2025-2026 Reg. Sess.), Stats. 2025, ch. 203
- Los Angeles Housing Dept., What Is Covered Under the RSO

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