

**First Regular Session  
Seventy-Seventh General Assembly  
STATE OF SAN ANDREAS**

**ENGROSSED**

LLS NO. 26-0730.02 Chris Hall x1958

**HOUSE BILL 26-025**

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**SENATE SPONSORSHIP**

**Garcia, Guzman**

**HOUSE SPONSORSHIP**

**Perez, Cardenas**

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**House Committees**

Housing & Local Government

**Senate Committees**

Not assigned

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**A BILL FOR AN ACT**

CONCERNING AFFORDABLE HOUSING MEASURES AND THE REGULATION OF HOUSING  
MARKET PRACTICES AND REAL ESTATE TRANSACTIONS TO PROMOTE HOUSING  
STABILITY AND ACCESSIBILITY FOR RESIDENTS OF THE STATE OF SAN  
ANDREAS.

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <https://saleg.uscgov.com>)*

This bill establishes statewide policies to expand affordable housing, increase residential construction, and improve housing stability across the State of San Andreas. It creates the Affordable Housing Development Fund to support building, preserving, and

Shading denotes HOUSE amendment. Underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

rehabilitating housing, while providing assistance to first-time homebuyers and coordinating efforts through the Department of Housing and Community Development.

The bill also introduces transparency and limits on large-scale residential property acquisitions by institutional investors, along with tenant protections such as notice requirements for rent increases and safeguards against retaliatory evictions. It requires ongoing monitoring and annual reporting on housing trends to guide future policy decisions.

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1 *Be it enacted by the General Assembly of the State of San*  
2 *Andreas:*  
3 **SECTION 1. SHORT TITLE.** This Act shall be known and may  
4 be cited as the “Affordable Housing Act.” **SECTION 2.**  
5 **LEGISLATIVE DECLARATION.** The General Assembly finds  
6 and declares that: (a) Access to safe and affordable housing is  
7 essential to economic stability, workforce retention, and  
8 community well-being. (b) Rapid increases in housing costs have  
9 outpaced wage growth, placing homeownership and rental  
10 housing beyond the reach of many residents. (c) Housing  
11 shortages are exacerbated by speculative investment practices,  
12 underproduction of housing units, and barriers to residential  
13 development. (d) The state has a compelling interest in promoting  
14 housing construction while ensuring fairness, transparency, and  
15 stability in real estate markets. (e) It is therefore necessary to  
16 adopt coordinated statewide policies addressing housing supply,  
17 affordability, and market regulation. **SECTION 3.**  
18 **DEFINITIONS.** For purposes of this Act, unless the context  
19 otherwise requires: (a) “Department” means the Department of  
20 Housing and Community Development. (b) “Affordable housing”  
21 means residential housing for which total housing costs do not  
22 exceed thirty percent of household income. (c) “Institutional  
23 investor” means any corporation, partnership, real estate  
24 investment trust, hedge fund, or entity owning or controlling ten

1 or more residential properties within the state. (d) “Eligible  
2 development” means residential construction meeting  
3 affordability or workforce housing requirements established by  
4 this Act. (e) “Local government” means any county, municipality,  
5 or consolidated city and county within the state. (f) ‘Workforce  
6 housing’ means housing affordable to households earning  
7 between eighty percent and one hundred twenty percent of area  
8 median income. (g) ‘Transit corridor’ means any area within  
9 one-half mile of a fixed-route public transportation stop or station.

10 **SECTION 4. CREATION OF THE AFFORDABLE HOUSING**  
11 **DEVELOPMENT FUND.** (a) There is hereby created in the State  
12 Treasury the Affordable Housing Development Fund, referred to  
13 in this Act as the “Fund.” (b) The Fund shall consist of: (I)  
14 Legislative appropriations; (II) Federal housing funds; (III) Fees  
15 collected pursuant to this Act; (III.5) Revenue derived from any  
16 surcharge imposed on institutional investors pursuant to this Act.  
17 (IV) Public or private grants or donations; and (V) Interest earned  
18 on monies in the Fund. (c) Monies in the Fund are continuously  
19 appropriated to the Department for: (I) Affordable housing  
20 construction grants, including gap financing for mixed-income  
21 developments; (II) Workforce housing developments; (III)  
22 Rehabilitation of existing housing stock; (IV) First-time  
23 homebuyer assistance programs; and (V) Property tax relief  
24 reimbursements for local governments implementing  
25 homestead-style exemptions for qualifying owner-occupied  
26 affordable housing. (d) Not more than five percent of the Fund  
27 may be used for administrative expenses. **SECTION 5. STATE**  
28 **HOUSING SUPPLY INCENTIVES.** (a) Local governments  
29 receiving state housing funds shall demonstrate progress toward  
30 adopting land-use policies that allow increased residential density  
31 near transit corridors, employment centers, or existing  
32 infrastructure. (b) Eligible developments including at least fifteen  
33 percent for rental developments and twenty percent for ownership

1 developments shall qualify for expedited permitting review. (c)  
2 The Department may award performance grants to local  
3 governments that demonstrate measurable increases in housing  
4 production. (d) The Department shall establish a model zoning  
5 code to assist local governments in complying with this section.  
6 (e) Local governments shall not impose minimum parking  
7 requirements for eligible developments located within transit  
8 corridors. (f) The Department shall prioritize funding for  
9 developments that include energy-efficient or sustainable building  
10 practices. **SECTION 6. REGULATION OF INSTITUTIONAL**  
11 **RESIDENTIAL PROPERTY ACQUISITION.** (a) Institutional  
12 investors acquiring single-family residential properties shall  
13 register annually, including disclosure of the total number of  
14 residential units owned, acquired, and sold within the preceding  
15 year with the Department. (b) An institutional investor shall not  
16 acquire more than seventy-five single-family residential  
17 properties within the state in a calendar year without approval  
18 from the Department. (c) The Department may deny acquisitions  
19 determined to substantially reduce housing availability for  
20 owner-occupants. (c.5) Any denial of acquisition by the  
21 Department may be appealed through an administrative hearing  
22 process. (d) Institutional investors shall disclose beneficial  
23 ownership information for all residential property holdings. (e)  
24 Institutional investors owning more than fifty single-family  
25 properties shall pay an annual surcharge per property, the  
26 proceeds of which shall be credited to the Fund. (f) Institutional  
27 investors shall be prohibited from engaging in coordinated bulk  
28 bidding practices that materially distort competitive home  
29 purchase markets. **SECTION 7. RENTAL MARKET**  
30 **STABILITY MEASURES.** (a) A landlord shall provide not less  
31 than ninety days' written notice prior to any rent increase  
32 exceeding eight percent within a twelve-month period, and such  
33 notice shall include a justification for the increase based on

1 operating costs, market conditions, or capital improvements. (b)  
2 Local governments may adopt additional tenant protection  
3 measures consistent with state law. (c) Retaliatory eviction  
4 practices related to tenant complaints regarding habitability or  
5 legal rights are prohibited. (d) A landlord shall provide relocation  
6 assistance equal to one month's rent for tenants displaced due to  
7 substantial renovation or redevelopment. (e) A tenant shall have  
8 the right to cure a lease violation, other than those involving  
9 imminent health or safety risks, prior to eviction proceedings. (f)  
10 Late fees for rental payments shall not exceed five percent of the  
11 monthly rent. **SECTION 8. REAL ESTATE TRANSPARENCY**  
12 **REQUIREMENTS.** (a) Residential property sales listings shall  
13 disclose: (I) Ownership entity; (II) Whether the purchaser is an  
14 institutional investor; and (III) Any recorded affordability  
15 restrictions; and (IV) The date of the most recent sale of the  
16 property and sale price. (b) The Department shall maintain a  
17 publicly accessible statewide residential ownership database. The  
18 database shall be searchable by property type, ownership  
19 category, and geographic region, while protecting personally  
20 identifiable information. (c) The Department shall publish  
21 quarterly summaries of ownership trends and market  
22 concentration. **SECTION 9. FIRST-TIME HOMEBUYER**  
23 **ASSISTANCE PROGRAM.** (a) The Department shall administer  
24 grants and low-interest loan assistance, including down payment  
25 assistance and closing cost assistance, for eligible first-time  
26 homebuyers. (b) Priority shall be given to households earning less  
27 than one hundred percent of area median income. (c) Recipients  
28 of assistance shall occupy the property as their primary residence  
29 for a minimum of five years or repay a prorated portion of the  
30 assistance. **SECTION 10. HOUSING MARKET MONITORING**  
31 **AND REPORTING.** (a) On or before January 15 of each year, the  
32 Department shall submit a report to the Governor and the General  
33 Assembly including: (I) Housing production totals; (II) Median

1 rent and home price trends; (II.5) Vacancy rates for rental and  
2 owner-occupied housing; (III) Institutional ownership rates; (IV)  
3 Affordable housing unit creation; (V) Recommendations for  
4 legislative action; (VI) The number of housing units approved but  
5 not constructed, including reasons for delay; and (VII) The impact  
6 of institutional ownership on rental pricing trends. (b) The report  
7 shall be made publicly available on the Department's website. (c)  
8 The Department shall present the report at a public hearing of the  
9 General Assembly. **SECTION 10.5. LOCAL FLEXIBILITY**  
10 **AND WAIVER PROCESS.** (a) A local government may apply to  
11 the Department for a waiver from specific provisions of this Act  
12 upon a showing of unique geographic, economic, or infrastructure  
13 constraints. (b) The Department shall approve or deny a waiver  
14 within sixty days and shall provide written findings. **SECTION**  
15 **10.6. RURAL HOUSING SUPPORT.** (a) The Department shall  
16 allocate not less than ten percent of Fund expenditures to rural  
17 communities. (b) Rural projects may qualify for modified  
18 requirements recognizing lower population density and unique  
19 infrastructure challenges. **SECTION 10.7.**  
20 **ANTI-DISPLACEMENT STRATEGIES.** (a) The Department  
21 shall develop guidelines to prevent displacement of existing  
22 residents due to redevelopment. (b) Priority funding shall be given  
23 to projects that preserve existing affordable housing units.  
24 **SECTION 11. RULEMAKING AUTHORITY.** The Department  
25 may promulgate rules necessary, including enforcement  
26 mechanisms and civil penalties for violations of this Act to  
27 implement and administer this Act. **SECTION 11.5.**  
28 **SEVERABILITY.** If any provision of this Act or its application is  
29 held invalid, such invalidity shall not affect other provisions or  
30 applications of the Act that can be given effect without the invalid  
31 provision. **SECTION 11.6. SUNSET REVIEW.** This Act shall be  
32 subject to review by the General Assembly five years after its  
33 effective date to evaluate its effectiveness and fiscal impact.

1 **SECTION 12. EFFECTIVE DATE.** Act subject to petition –  
2 effective date. This act takes effect on August 18, 2026, assuming  
3 the general assembly adjourns sine die on May 18, 2026; except  
4 that, if a veto petition is filed pursuant to Article II, Section 15 of  
5 the state constitution against this act or an item, section, or part of  
6 this act within such period, then the act, item, section, or part will  
7 not take effect unless approved by the people at the general  
8 election to be held in November 2026 and, in such case, will take  
9 effect on the date of the official declaration of the vote thereon by  
10 the governor. The Department may take such actions as are  
11 necessary prior to said date for implementation.