

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

ENGROSSED

LLS NO. 26-0704.02 Elizabeth Rivas x1915

HOUSE BILL 26-004

SENATE SPONSORSHIP

Wells

HOUSE SPONSORSHIP

Black, Brewer

House Committees

Housing and Local Government

Senate Committees

Not assigned

A BILL FOR AN ACT

**CONCERNING HOUSING STABILITY BY ESTABLISHING INCOME-BASED RENT
STANDARDS, CREATING FIRST-TIME HOMEBUYER ASSISTANCE PROGRAMS,
AND STANDARDIZING EVICTION PROCEDURES AND DEADLINES**

Bill Summary

(Note: This summary applies to this bill as engrossed 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>)

The Renters Protection Act establishes a comprehensive statewide framework intended to improve housing stability, promote affordability, and create uniform tenant protections while supporting pathways to homeownership. The General Assembly finds that rising housing costs and unpredictable rent increases contribute to displacement, homelessness,

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.

and financial insecurity, particularly for low-income households and individuals dependent on public benefits. The legislation seeks to balance tenant protections with predictable standards for property owners by linking rental costs, eviction procedures, and housing assistance programs to clear statutory guidelines.

A central provision of the bill creates a reasonable rent standard, limiting rent charged to eligible tenants to no more than thirty percent of household income, with additional protections for households experiencing unemployment or relying on disability or public assistance benefits. Rent adjustments may occur only following documented increases in tenant income or lease renewals lasting at least twelve months, and landlords must provide ninety days' written notice before any rent increase. The act also restricts repeated income verification requests and prohibits retaliatory rent increases, aiming to prevent sudden or arbitrary housing cost increases that undermine long-term tenancy.

In addition to rental protections, the bill establishes a First-Time Homebuyer Assistance Program administered by the Department of Local Affairs. The program provides financial support through down payment assistance, closing cost grants, and mortgage affordability tools such as interest rate reductions or tax credit certificates. Assistance prioritizes applicants earning at or below 120 percent of area median income and may be structured as forgivable loans contingent upon owner occupancy, encouraging long-term housing stability and expanding access to homeownership for renters facing structural market barriers.

The act further reforms eviction law by limiting permissible grounds for eviction, standardizing notice requirements, and establishing minimum procedural timelines designed to ensure due process. Tenants may be evicted only for specified causes such as nonpayment of lawful rent, material lease violations, criminal activity posing imminent threat, or legitimate owner occupancy or redevelopment. Courts must observe defined waiting periods before hearings, and tenants retain the right to present defenses or payment arrangements. Violations constitute unlawful housing practices subject to damages, injunctive relief, and attorney fees. The bill authorizes rulemaking by relevant state agencies and takes effect following the post-adjournalment period unless referred to voters through a veto petition process.

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 cited
4 as the “Renters Protection Act”. **SECTION 2. LEGISLATIVE**
5 **DECLARATION.** The general assembly hereby finds and
6 declares that: (a) Access to stable, affordable housing is essential
7 to the health, safety, and economic security of individuals,
8 families, and communities throughout the state. (b) Housing costs
9 that exceed a reasonable portion of household income contribute
10 to housing instability, displacement, homelessness, and long-term
11 economic harm. (c) Rent increases untethered from tenant income
12 place disproportionate burdens on low-income households,
13 individuals receiving public benefits, and persons experiencing
14 temporary unemployment. (d) Homeownership remains a primary
15 avenue for long-term financial stability, yet first-time homebuyers
16 face systemic barriers including rising home prices, insufficient
17 down payment resources, and limited access to affordable credit.
18 (e) Eviction proceedings that lack clear timelines, notice
19 standards, and procedural protections undermine housing stability
20 and impose avoidable costs on tenants, landlords, courts, and local
21 governments. (f) It is the intent of the general assembly to create a
22 balanced housing framework that promotes affordability, supports
23 responsible homeownership, ensures predictability for property
24 owners, and establishes fair, uniform eviction procedures
25 consistent with due process. **SECTION 3. DEFINITIONS.** As
26 used in this article, unless the context otherwise requires: (a)
“Area median income” or “AMI” means the median household
income for the applicable geographic area, as published annually
by the United States Department of Housing and Urban
Development. (b) “Eligible tenant” means an individual or
household that occupies a residential dwelling as a primary

1 residence. (c) “First-time homebuyer” means an individual who
2 has not owned or held an ownership interest in a residential
3 dwelling within the previous three years. (d) “Household income”
4 means the total gross income of all adult members of a household
5 from all sources, including wages, salaries, public assistance
6 benefits, disability benefits, unemployment compensation, and
7 other lawful income. (e) “Reasonable rent” means a rental amount
8 that does not exceed the maximum percentage of household
9 income established in section 402 of this article. (f) “Residential
10 dwelling” means a structure or portion thereof used or intended
11 for human habitation, including apartments, condominiums, and
12 single-family rental homes. (g) “Material change in income”
13 means an increase or decrease in household income of at least ten
14 percent sustained over a period of not less than sixty days.

15 **SECTION 4. REASONABLE RENT REQUIREMENTS.** (a) A
16 landlord shall not charge or collect rent from an eligible tenant in
17 an amount that exceeds thirty percent of the tenant’s household
18 income on a monthly basis, unless otherwise exempted under
19 subsection (f) of this section. (b) For tenants whose household
20 income is derived in whole or in part from public assistance or
21 disability benefits, rent shall be calculated based on the verified
22 benefit amount. (c) Rent shall be capped at twenty percent of
23 household income for tenants experiencing documented
24 unemployment or receiving public assistance benefits, if any
25 income is present; or (d) If the tenant has no current income, rent
26 shall be deferred or reduced to a minimum amount established by
27 rule until employment or benefits resume. (e) A landlord may
28 require income verification no more than once annually unless the
29 tenant voluntarily reports a material change in income. (f) The
30 reasonable rent requirements established in this section shall not
31 apply to: (I) Newly constructed residential dwellings for a period
32 of ten years following issuance of a certificate of occupancy; (II)
33 Owner-occupied properties containing four or fewer rental units;

1 or (III) Short-term rental agreements of less than six months. (g)
2 The Department of Local Affairs shall establish standardized
3 procedures and forms for income verification to ensure
4 consistency and reduce administrative burden for both tenants and
5 landlords. **SECTION 5. RENT ADJUSTMENTS AND**
6 **PROTECTIONS.** (a) Rent may be adjusted only upon: (I) A
7 documented increase in tenant household income; or (II) Renewal
8 of a lease term of not less than twelve months; or (III)
9 Demonstrated increases in property operating costs as defined by
10 rule. (b) A landlord shall provide at least ninety days' written
11 notice prior to any rent increase. (c) Retaliatory rent increases are
12 prohibited. (d) A landlord may petition the Department of Local
13 Affairs for a temporary rent adjustment exceeding the limitations
14 of this section upon a showing of financial hardship, subject to
15 review and approval. **SECTION 6. FIRST-TIME HOMEBUYER**
16 **GRANTS AND DISCOUNTS.** (a) The Department of Local
17 Affairs shall establish a First-Time Homebuyer Assistance
18 Program. (b) The program shall provide: (I) Down payment
19 assistance grants; (II) Closing cost assistance; and (III) Interest
20 rate reductions or mortgage credit certificates. (c) Assistance shall
21 be prioritized for applicants earning at or below one hundred
22 twenty percent of AMI. (d) The Department shall prioritize
23 assistance for applicants who have been displaced due to eviction,
24 natural disaster, or significant rent increases within the preceding
25 twelve months. **SECTION 7. ELIGIBILITY AND**
26 **CONDITIONS.** (a) An applicant must: (I) Be a first-time
27 homebuyer; (II) Occupy the purchased dwelling as a primary
28 residence; and (III) Complete a housing counseling program
29 approved by the department. (b) Assistance may be structured as a
30 forgivable loan contingent upon owner occupancy for a minimum
31 of five years, except that the department may prorate forgiveness
32 for participants who relocate due to employment, military service,
33 or documented hardship. **SECTION 8. GROUNDS FOR**

1 EVICTION. (a) A tenant may be evicted only for: (I)
2 Nonpayment of rent lawfully owed; (II) Material lease violations;
3 (III) Criminal activity posing an imminent threat to persons or
4 property; or (IV) Owner occupancy or lawful redevelopment,
5 provided that the landlord demonstrates a good faith intent to
6 occupy or redevelop the property. **SECTION 9. NOTICE**
7 **REQUIREMENTS.** (a) A landlord shall provide: (I) A
8 fourteen-day notice for nonpayment of rent, which shall include a
9 written statement of the amount owed and information regarding
10 available rental assistance resources; (II) A thirty-day notice for
11 lease violations capable of cure; and (III) A ninety-day notice for
12 no-fault evictions. **SECTION 10. EVICTION TIMELINES AND**
13 **PROCEDURES.** (a) Eviction filings shall not occur until the
14 applicable notice period expires. (b) Courts shall schedule
15 eviction hearings no sooner than fourteen days after filing. (c)
16 Tenants shall have the right to present defenses, payment plans, or
17 proof of compliance. (d) Courts shall encourage mediation
18 between landlords and tenants prior to adjudication, including the
19 availability of payment plans or rental assistance programs where
20 applicable. **SECTION 11. ENFORCEMENT AND PENALTIES.**
21 (a) A violation of this article constitutes an unlawful housing
22 practice. (b) Remedies include: (I) Actual damages; (II) Statutory
23 damages; (III) Injunctive relief; and (IV) Attorney fees. (c) In any
24 action brought under this section, the court may award enhanced
25 damages for willful or repeated violations of this article.
26 **SECTION 12. RULEMAKING AUTHORITY.** The Department
27 of Local Affairs, in coordination with the Department of Human
28 Services and the Judicial Branch, and after consultation with
29 landlord and tenant advocacy organizations, may promulgate rules
30 to implement this article. **SECTION 13. EFFECTIVE DATE.** Act
31 subject to petition – effective date. This act takes effect on August
32 18, 2026, assuming the general assembly adjourns sine die on
33 May 18, 2026; except that, if a veto petition is filed pursuant to

1 Article II, Section 15 of the state constitution against this act or an
2 item, section, or part of this act within such period, then the act,
3 item, section, or part will not take effect unless approved by the
4 people at the general election to be held in November 2026 and, in
5 such case, will take effect on the date of the official declaration of
6 the vote thereon by the governor.