

Date of Hearing: March 12, 2025

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 299 (Gabriel) – As Amended March 4, 2025

**SUBJECT:** Motels, hotels, and short-term lodging: disasters

**SUMMARY:** Provides, until January 1, 2031, that a guest of a lodging shall not have their continued occupancy constitute a new tenancy and shall not be considered a person who hires for purposes of existing law governing tenancy and unlawful detainer proceedings if the guest is living in the lodging as a result of their prior housing being damaged, destroyed, or otherwise made uninhabitable by a disaster. Specifically, **this bill:**

- 1) Defines “disaster” to mean an event or circumstance that results in a state of disaster or emergency declared by the federal government or a state of emergency proclaimed by the Governor, as specified;
- 2) Defines “lodging” to mean any of the following:
  - a) A motel;
  - b) A hotel; or
  - c) A property that meets either of the following conditions:
    - i) If a local government had a registration, licensure, or similar requirement for short-term lodgings on the date the disaster was declared or proclaimed, the property met that requirement on that date; or
    - ii) If a local government did not have a registration, licensure, or similar requirement for short-term lodgings on the date the disaster was declared or proclaimed, the property met the definition of “short-term lodging,” as defined in specified law, on that date.
- 3) Provides that a guest of a lodging shall not have their continued occupancy constitute a new tenancy and shall not be considered a person who hires for purposes of existing law governing tenancy and unlawful detainer proceedings if the guest is living in the lodging as a result of their prior housing being damaged, destroyed, or otherwise made uninhabitable by a disaster.
- 4) Requires, for a guest who is subject to this bill and who has been residing in a lodging for more than 30 days, the lodging to provide a notice to the guest at least 72 hours before requiring the guest to vacate the lodging.
- 5) Sunsets the provisions of the bill on January 1, 2031.
- 6) Includes an urgency clause.

**EXISTING LAW:**

- 1) Applies provisions of the Civil Code relating to the hiring of real property to all persons who hire dwelling units located within the state, including tenants, lessees, boarders, lodgers, and others, however denominated. (Civil Code (CIV) Section 1940(a))
- 2) Defines the term “persons who hire” to exclude a person who maintains either of the following:
  - a) Transient occupancy in a hotel, motel, residence club, or other facility when the transient occupancy is or would be subject to tax under Section 7280 of the Revenue and Taxation Code, excluding a person who has not made valid payment for all room and other related charges owing as of the last day on which their occupancy is or would be subject to tax, as specified; or
  - b) Occupancy at a hotel or motel where the innkeeper retains a right of access to and control of the dwelling unit and the hotel or motel provides or offers all of the following services to all of the residents:
    - i) Facilities for the safeguarding of personal property, as specified;
    - ii) Central telephone service subject to tariffs covering the same filed with the California Public Utilities Commission;
    - iii) Maid, mail, and room services;
    - iv) Occupancy for periods of less than seven days; and
    - v) Food service provided by a food establishment, as specified, located on or adjacent to the premises of the hotel or motel and owned or operated by the innkeeper or a person or entity pursuant to a lease or similar relationship with the innkeeper or person or entity affiliated with the innkeeper. (CIV 1940(b))
- 3) Establishes that a tenant of real property, with certain specifications, is guilty of unlawful detainer in a number of specified circumstances, including when the tenant continues in possession without the permission of the landlord after default in the payment of rent pursuant to the lease or agreement under which the property is held, or after a neglect or failure to perform other conditions or covenants of the lease or agreement under which the property is held. (Code of Civil Procedure (CCP) Section 1161)
- 4) Defines “tenant” for purposes of 3) above to include any person who hires real property except those persons whose occupancy is described in 2) above. (CCP 1161(7))
- 5) Defines “hotel” for purposes of existing law governing innkeeping to mean any hotel, motel, bed and breakfast inn, or other similar transient lodging establishment, not including any residential hotel, as specified. (CIV 1865(a))
- 6) Defines “guest” for purposes of existing law governing innkeeping to mean an occupant of a hotel whose occupancy is exempt from 1) above. (CIV 1865(b))

- 7) Allows an innkeeper to evict a guest if the guest refuses or otherwise fails to fully depart the guest room at or before the innkeeper's posted checkout time on the date agreed to by the guest, if certain conditions are met. (CIV 1865(c))
- 8) Defines "short-term lodging" to mean a short-term rental, or a residential property in this state that is rented to a visitor for 30 consecutive days or less through a centralized platform whereby the rental is advertised, displayed, or offered and payments for the rental are processed, but does not include a hotel, motel, bed and breakfast inn, or other similar transient lodging establishment located in this state, nor a residential hotel. (Business and Professions Code Section 17568.8)
- 9) Provides that a shelter program participant shall not have their continued occupancy in a motel, hotel, or shelter program constitute a new tenancy and shall not be considered persons who hire for purposes of existing law governing tenancy and unlawful detainer proceedings if the shelter program meets certain requirements. (CIV 1954.09)

**FISCAL EFFECT:** None.

**COMMENTS:**

**Author's Statement:** According to the author, "Following a devastating disaster like we've seen in Los Angeles, we must ensure that wildfire victims have access to a stable place to stay. This legislation will ensure that those who have been displaced can seek shelter at hotels, motels, and short-term rentals for more than 30 days without being kicked out or shuffled around. It is especially important that we ensure our children and families have stability, security, and a sense of place while these communities are rebuilding and we work to identify longer-term housing."

**Background:** Following the fires in Southern California that began on January 7th, thousands of Los Angeles County residents have been displaced. When the fires broke out, many impacted individuals needed immediate housing and turned to hotels, motels, and short-term rentals while awaiting information about what had happened to their homes. Once the fires were extinguished, more than 13,000 homes and apartments had been destroyed.

Disasters compound existing housing market challenges and the Los Angeles region had been in a severe housing affordability crisis well before the sudden destruction of 13,000 additional housing units. Constrained housing supply has led to increased housing cost burdens, especially among populations vulnerable to disaster. A myriad of recovery assistance programs, timelines, and restrictions have brought further instability to fire survivors' efforts to locate new semi-permanent housing while deciding if and how they will rebuild their destroyed homes.

This situation has led some fire survivors and displaced individuals to need longer term temporary housing options, including in hotels, motels, and short-term rentals. While stays under 30 days do not present any legal complications, stays longer than a month can vest an individual with tenancy status, meaning a lodging operator who wishes to remove a guest for nonpayment or other issues must follow unlawful detainer procedures rather than provisions of the Civil Code that allow removal of guests of lodgings who do not have formal tenancy status.

Lodging providers are not keen to expose themselves to this legal risk even for individuals who need housing stability. Because of this ambiguity, many hotels and motels will resort to "shuffling" people seeking longer term shelter between motel rooms or exiting people from their

rooms every four weeks to avoid potentially creating a landlord-tenant relationship. This “shuffling” practice can be extremely disruptive.

***Motels and Hotels as Temporary Shelter:*** During the pandemic, hotels and motels were used as temporary shelter for people experiencing homelessness who, because of poor health and living situations, might be at greater risk of contracting COVID or spreading it. In response to COVID, the federal government provided one-time funding to immediately house people experiencing homelessness at risk of contracting the virus. Project Roomkey reimbursed cities and counties from the Federal Emergency Management Agency to temporarily house people. Project Homekey provided funding to purchase hotels and motels and master-lease housing to house people experiencing homelessness.

Some local governments have continued contracting with hotels and motels to house people experiencing homelessness. Although this is temporary housing, due to the lack of available permanent supportive housing and affordable housing, some people are remaining in motels and hotels as semi-permanent tenants. Motel and hotels are defined as temporary housing under building standards. In addition, owners had previously been concerned that allowing a shelter program participant to remain in housing for longer than 30 days would qualify the program participant as a tenant. This caused frequent “shuffling” of those participants, which was very disruptive to individuals participating in shelter programs and unnecessarily consumed case manager and service provider resources as they frequently worked to find new accommodations for “shuffled” individuals.

AB 1991 (Gabriel), Chapter 645, Statutes of 2022, allowed hotels and motels to provide housing to people enrolled in a shelter program for longer than 30 days without establishing tenancy. AB 1991 (Gabriel) established a standard that hotels and motels would be required to comply with in order to ensure program participants are adequately protected, and helped curb the practice of “shuffling” participants. AB 2835 (Gabriel), Chapter 209, Statutes of 2024, deleted the sunset on these provisions of law, permanently extending this status for participants of hotel- and motel-based shelter programs.

***Executive Orders:*** Since those who have lost their homes in the Los Angeles fires will likely need temporary housing for longer than 30 days, hotels, motels, and short-term rentals may resort to this destabilizing “shuffling” practice to avoid these individuals establishing formal tenancy.

Recognizing this possibility, Governor Newsom issued Executive Order N-14-25 on January 27, 2025 that contained the following provisions: “3. A person displaced from their primary residence in Los Angeles County as a result of the emergency, and who is occupying a hotel, motel, residence club, or other facility in Los Angeles subject to tax under Revenue and Taxation Code section 7280, shall be deemed to have transient occupancy status for the entire duration of their stay through March 8, 2025, notwithstanding the 30-day durational limitation in Civil Code section 1940, subdivision (b)(1), and Revenue and Taxation Code section 7280; and Los Angeles County or a city in the County may levy an occupancy tax for the full duration of such transient occupancy. To the extent those statutes provide otherwise, they are suspended. This Paragraph shall remain in effect until March 8, 2025, and is terminated after that date.”

On March 7, 2025, the Governor issued Executive Order N-23-25 which extended the expiration of the transient occupancy provisions of EO N-14-25 from March 8, 2025 until July 1, 2025. The Governor of Hawaii also issued similar directives in the 2023 Maui wildfires.

AB 299 (Gabriel and Rivas), similar to AB 1991 (Gabriel), would permit hotels, motels, and short-term rentals to provide shelter for more than 30 days to individuals who have lost their prior housing in a disaster without establishing a landlord-tenant relationship, until January 1, 2031. To deter the possibly lucrative opportunity this waiver of tenancy rights might present to property owners who already have long-term tenants in rental units but might seek to “switch” their units over to short-term rentals in the wake of a disaster, the bill’s provisions only apply to short-term rentals that were either registered with their local government as a short-term rental on the date of the disaster declaration, or met the existing law definition of short-term rental on that date. Unlike the Executive Order currently in place, recent amendments also require the lodging to provide at least 72 hours’ notice to a guest if they are requiring the guest to depart. Given the unfortunate increase in intensity and frequency of natural disasters affecting the state, this bill would also eliminate the need for a future Governor to issue an executive order effectuating this change until 2031 by creating a statutory mechanism that would trigger upon declaration of a disaster in which housing units are damaged or destroyed.

**Arguments in Support:** According to the Los Angeles County Board of Supervisors, “[AB 299] would help provide temporary housing stability for wildfire victims during a critical recovery period while keeping as many rental units as possible open. The devastation of the January 2025 Los Angeles County wildfires is unprecedented in scope and cost. Tens of thousands of families are now entering the already difficult rental housing market, while thousands more Angelenos have lost their livelihoods, and will be struggling to make rent as they wait for assistance through unemployment, the Federal Emergency Management Agency, or other relief programs.”

**Arguments in Opposition:** None on file.

**Related Legislation:**

AB 2835 (Gabriel), Chapter 209, Statutes of 2024: Deleted the sunset on the provisions of AB 1991 (Gabriel), permanently extending the law.

AB 1991 (Gabriel), Chapter 645, Statutes of 2022: Allowed hotels and motels to provide housing to people enrolled in a shelter program for longer than 30 days without establishing formal tenancy, and established a standard that hotels and motels must comply with in order to ensure program participants are adequately protected.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California Association of Realtors  
County of Los Angeles Board of Supervisors

*Support If Amended*

California Chamber of Commerce  
California Hotel & Lodging Association

**Opposition**

None on file

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