Date of Hearing: July 2, 2025

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT
Matt Haney, Chair
SB 625 (Wahab) – As Amended June 23, 2025

SENATE VOTE: 39-0

SUBJECT: Housing developments: disasters: reconstruction of destroyed or damaged structures

SUMMARY: Extends key elements of the Governor's executive orders issued in response to the Los Angeles fires by establishing a statutory, ministerial approval process for rebuilding homes destroyed in declared disasters, including provisions that waive local discretionary review, streamline permitting timelines, and allow reconstruction up to 110% of the prior structure's size. Specifically, **this bill**:

1) Deems void and unenforceable any covenant, condition, or restriction (CC&R) contained in any deed, contract, security instrument, or other instrument affecting the transfer of, or any interest in, real property, and any provision of the common interest development (CID) governing documents, that effectively prohibit a substantially similar reconstruction of a residential structure that was damaged or destroyed in a disaster.

2) Defines "disaster" as a declared disaster or state of emergency including, but not limited to, any of the following:

    a) A state of disaster or emergency declared by the federal government;

    b) A state of emergency proclaimed by the Governor pursuant to Government Code Section (GOV) 8625; and

    c) A local emergency proclaimed by a local governing body or official pursuant GOV 8630.

3) Defines "objective design standard" as a standard that involves no personal or subjective judgment and is uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the applicant and the association before submittal.

4) Defines "substantially similar reconstruction of a residential structure" as a housing development proposal that rebuilds a separate interest located in a CID that complies with all of the following:

    a) The local building code;

    b) The interior livable square footage of the rebuilt housing development will not exceed 110% of the square footage that existed when the structure was damaged or destroyed;

    c) The exterior footprint of the rebuilt housing development will meet either of the following:

        i) The rebuilt housing development will be constructed in the same location and to the same exterior dimensions as the structure that was damaged or destroyed; or

ii) The setbacks for the rebuilt housing development will be at least four feet from the side and rear lot lines.

d) The height of the rebuilt housing development will not exceed 110% of the height that existed when the residential structure was damaged or destroyed, or 100% of the height allowed by the governing documents of the association in effect at the time the proposal was submitted, whichever is greater; and

e) Any objective design standard in effect at the time the original residential structure was destroyed or damaged in a disaster, provided that the standard does not unreasonably increase the cost to construct, effectively prohibit the construction of, or extinguish the ability to otherwise rebuild, a substantially similar housing development.

5) Requires any CC&R contained in any deed, contract, security instrument, or other instrument affecting the transfer of, or any interest in, real property, and any provision of the CID governing documents, that subjects substantially similar reconstruction of a residential structure that was destroyed or damaged in a disaster, to be processed and approved in the following manner:

a) Establishes the following timeline and standards for a review body to determine if an application is complete:

i) Requires a review body to notify an applicant whether their application is complete or incomplete within 30 calendar days;

ii) Requires a review body that determines that an application is incomplete to provide the applicant with a list of incomplete items and a description of how the application can be made complete;

iii) Authorizes an applicant to resubmit an application that a review body deemed incomplete, subject to the same timeline noted above, and prohibits a review body from requiring the applicant to include an item that was not identified as necessary at the time the original application was submitted; and

iv) Specifies that if a review body does not make a timely determination, an application shall be deemed complete.

b) Establishes the following timeline and standards for a review body to review a complete application:

i) Requires the review body to conduct its review of a complete application within 30 business days;

ii) Requires the review body that determines that a complete application is not compliant with the body's lawfully adopted standards to return in writing a full set of comments to the applicant with a comprehensive request for revisions;

iii) Requires the review body to approve a complete application if it determines that the application is compliant with the body's lawfully adopted standards;

iv) Requires a review body that determines that a complete application is not compliant with its lawfully adopted standards to provide the applicant with a list of items that are noncompliant, and a description of how the application can be remedied by the applicant;

v) Authorizes an applicant to resubmit an application that a review body deemed noncompliant and subjects the review to the same timeline noted above;

vi) Requires the review body to provide an applicant with a process to appeal a decision in writing to the body; and

vii) Requires the review body to issue a decision on an appeal within 60 business days.

c) Provides that once a review body approves an application, the body shall not subject the applicant to any appeals or additional hearings; and

d) Provides that a court shall award reasonable attorney's fees to an applicant who prevails in an action to enforce this section.

6) Establishes a streamlined ministerial review process for housing developments that rebuild housing on property that was destroyed or damaged in a declared disaster. Specifically:

a) Requires local agencies to approve a housing development application within 90 days of receipt, as specified, and prohibits local agencies from subjecting the proposal to a conditional use permit or discretionary review if the application demonstrates that the project complies with the following objective standards:

i) The housing development is located on a parcel on which a residential structure was destroyed or damaged in a disaster;

ii) The housing development, excluding any density bonus concessions, incentives, or waivers, is consistent with objective zoning, standards, objective subdivision standards, and objective design review standards in effect at the time the application is submitted;

iii) The housing development proponent owned the site of the proposed development on the date of the disaster;

iv) The development proponent complies with labor standards established for SB 35 developments;

v) The development is not on an existing parcel of land or site that is governed under Mobilehome Residency Law, Recreational Vehicle Park Occupancy Law, the Mobilehome Parks Act or the Special Occupancy Parks Act; and

vi) The development is not located within a historic district or property, as specified.

7) Prohibits local agencies in an area impacted by a disaster from enforcing an ordinance that precludes the placement and use of a manufactured home, mobilehome, or recreational vehicle on a private lot for use during the reconstruction or repair of any home any damaged or destroyed in a disaster for a period of three years following the disaster declaration.

8) Provides that this bill offers an optional streamlined, ministerial approval process, but does not affect the availability, applicability, or use of any other exemptions from the California Environmental Quality Act (CEQA).

EXISTING LAW:

1) Establishes the California Emergency Services Act (CESA), which authorizes the Governor to declare a state of emergency and local officials and local governments to declare a local emergency, when specified conditions of disaster or extreme peril to the safety of persons and property exist. (Government Code (GOV) Section 8550-8669.87)

2) Establishes CEQA, which requires public agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or an environmental impact report for this action, unless the project is exempt from CEQA. Provides that CEQA is not applicable to projects that repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been declared pursuant to the CESA. (Public Resources Code (PRC) Section 21000 - 21189.91)

3) Establishes, within the Davis-Stirling Common Interest Development Act, rules and regulations governing the operation of a Common Interest Development (CID) and the respective rights and duties of a HOA and its members. Requires the governing documents of a CID, and any amendments to the governing documents, to be adopted through HOA elections in accordance with specified procedures. (Civil Code (CC) Section 4000 et seq.)

4) Provides that the covenants and restrictions in a CID's declaration are enforceable equitable servitudes, unless unreasonable, and shall take effect to the benefit of and bind all owners of separate interests in the CID. Specifies that these servitudes may be enforced by any owner of a separate interest, or by the association, and that in an action to enforce the servitudes, a prevailing party shall be awarded reasonable attorney's fees and costs. (CC 5975)

5) Establishes, pursuant to SB 35 (Weiner), Chapter 366, Statutes of 2017, and SB 423 (Weiner), Chapter 778 Statutes of 2023, until January 1, 2036 a streamlined, ministerial review process for housing development projects that meet strict objective standards and are sites that are zoned for residential use or residential mixed-use development. (GOV 65913.4)

6) Establishes the Permit Streamlining Act (PSA), which, among other things, establishes time limits within which state and local government agencies must either approve or disapprove permits to entitle a development. (GOV 65920-65964.5)

7) Establishes standards and requirements for local agencies to review non-discretionary postentitlement phase permits, including time limits within which local agencies must either approve or disapprove the permits. (GOV 65913.3)

FISCAL EFFECT: Unknown.

COMMENTS:

Author's Statement: According to the author, "California has a housing shortage of 2.5 million homes, and the Palisades and Eaton fires have added nearly 13,000 homes to that total. It is

critical that we ensure a speedy recovery for Los Angeles, and any future disaster sites, in order to curb the ongoing displacement from an already painful housing crisis. SB 625 allows families to cut red tape—while maintaining appropriate adherence to safety standards—to expedite rebuilding these homes and communities. While Governor Newsome acted swiftly to support rebuilding efforts in Los Angeles, the increasing frequency of climate disasters makes it necessary to codify these actions for all future disasters."

State and Local Housing Needs and Affordability: According to the Department of Housing and Community Development (HCD), California's housing crisis is a half-century in the making.[1] After decades of underproduction, supply is far behind need, and housing and rental costs are soaring. As a result, millions of Californians must make hard decisions about paying for housing at the expense of food, health care, child care, and transportation, directly impacting the quality of life in the state. One in three households in the state doesn't earn enough money to meet their basic needs. In 2024, over 187,000 Californians experienced homelessness on a given night.[2]

To meet this housing need, HCD determined that California must plan for more than 2.5 million new homes, and no less than one million of those homes must be affordable to lower-income households, in the 6th Regional Housing Needs Allocation (RHNA). By contrast, housing production in the past decade has been under 100,000 units per year – including less than 10,000 units of affordable housing per year.[3] To keep pace with demand, Los Angeles County was tasked with building over 812,000 new homes by 2029. The destruction of homes caused by the Palisades and Eaton fires only exacerbated this housing shortage at the state, regional, and local level.

The state's housing crisis is not equally experienced by all Californians. Testimony by the UC Berkeley Terner Center to this Committee showed that the impacts of the housing crisis are significantly more severe for lower-income individuals, single-earner households, Black and Latino Californians, younger and older populations, and those who reside in, or aspire to live and work in, the state's highest-cost regions.[4]

This bill would address a key governmental constraint to housing production and rebuilding by establishing a streamlined, ministerial approval process for housing developments that reconstruct homes damaged or destroyed in declared disasters, overriding conflicting local ordinances and private covenants that impede timely rebuilding.

Eaton and Palisades Fires: On January 7, 2025, two devastating wildfires, the Palisades Fire and Eaton Fire, both ignited in Los Angeles County. The Palisades Fire began in the Santa Monica Mountains, rapidly spreading across over 23,000 acres and destroying over 6,800 structures, primarily in the Pacific Palisades community of the City of Los Angeles.[5] The Eaton Fire ignited in Eaton Canyon near Altadena, burning more than 14,000 acres, destroying over

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[1] California Department of Housing and Community Development, *A Home for Every Californian*: 2022 Statewide Housing Plan. March 2022, https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136
[2] U.S. Department of Housing and Urban Development, Point in Time Counts. https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html
[3] https://www.hcd.ca.gov/policy-research/housing-challenges.shtml
[4] UC Berkeley Terner Center Testimony by Ben Metcalf, Managing Director, at the State Housing Production Legislation: Actions, Outcomes, and Opportunities Informational Hearing, February 12, 2025
[5] https://www.latimes.com/california/live/la-fire-updates-floods-mud-rain-closures-laguna-eaton-palisades

9,400 structures.[6] Both fires were fully contained by January 31, 2025. Of the more than 16,000 homes and other structures destroyed, the vast majority were located in what is referred to as the wildland-urban interface, or WUI.[7] The WUI is where human development meets or mixes with the undeveloped natural environment or wildlands.[8]

Executive Orders on Rebuilding: In response to the Palisades and Eaton fires, Governor Newsom issued four executive orders in January and February 2025 intended to help the Los Angeles region rebuild permanent housing quickly. Many of the actions in the executive orders are directly related to expediting the housing approvals process, and removing permitting barriers at the state and local levels. These include:

- Suspending the California Environmental Quality Act (CEQA) review and California Coastal Act permitting requirements for the reconstruction of damaged or destroyed properties for the following:
    - Primary structures that are in substantially the same location as, and do not exceed 110% of the footprint and height of, the original primary structures that existed immediately before the emergency;
    - Accessory structures that are in substantially the same location as, and do not exceed 100% of the footprint and height of, the original accessory structures that previously existed;
    - New accessory dwelling units (ADUs) on a residential property on which a primary residence was substantially destroyed, but only to the extent that such ADUs are built at least 10 feet from a canyon bluff or 25 feet from a coastal bluff; and,
    - Supportive infrastructure that is necessary to construct and install all of the above structures.
- Suspending the provisions of the California Coastal Act requiring coastal development permits for the establishment, repair, or operation of a mobilehome park or special occupancy park, as well as the replacement, installation, or repair of one or more mobilehomes, manufactured homes, or recreational vehicles on privately-owned land.
- Extending from one year to three years the time that a person has to start work on a building permit issued for a project to repair, restore, demolish, or replace a structure or facility in LA County that was substantially damaged or destroyed in the disasters.
- Extending all coastal development permits issued under the California Coastal Act for an additional three years for projects involving properties or facilities that were damaged or destroyed.
- Requiring HCD, the Office of Land Use and Climate Innovation, Office of Emergency Services (OES), and the Department of General Services (DGS) to provide the Governor

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[6] IBID.
[7] https://calmatters.org/environment/wildfires/2025/01/la-county-fires-wildland-urban-interface/
[8] IBID.

with a report identifying other state permitting requirements that may unduly impede efforts to rebuild properties or facilities destroyed that should be considered for suspension, and to update that report every 60 days.

- Requiring HCD to coordinate with local governments to identify and recommend procedures, including but not limited to exploring the use of pre-approved plans and waivers of certain permitting requirements, to establish rapid permitting and approval processes to expedite the reconstruction or replacement of residential properties destroyed or damaged by fire.

- Prohibiting the Coastal Commission from taking any action that interferes with the executive order related to California Coastal Act permitting.

- Committing to collaborating with the Legislature to identify and propose statutory amendments that durably address barriers impeding rapid rebuilding efforts in the areas affected by this emergency.

This bill would codify and extend key elements of the Governor's executive orders by establishing a statutory, ministerial approval process for rebuilding homes destroyed in declared disasters, including provisions that waive local discretionary review, streamline permitting timelines, and allow reconstruction up to 110% of the prior structure's size, ensuring that these measures apply automatically in future disasters where housing is destroyed, without requiring new executive declaration and emergency measures each time.

CIDs: There are over 50,000 CIDs in the state that range in size from three to 27,000 units, with the average CID having 286 residents. CIDs make up roughly 4.7 million housing units, and 36% of Californians (over 14 million Californians) live in a CID. These rates are even higher for homeowners, with approximately 65% of homeowners living in a CID. CIDs include condominiums, community apartment projects, housing cooperatives, and planned unit developments. They are characterized by a separate ownership of dwelling space coupled with an undivided interest in a common property, restricted by covenants and conditions that limit the use of common area, and the separate ownership interests and the management of common property and enforcement of restrictions by a HOA. CIDs are governed by the Davis-Stirling Common Interest Development Act (the Act) as well as the governing documents of the association including bylaws, declaration, and operating rules.

Restrictions on CID Governing Documents. With respect to allowable activities within a CID, state law generally defers to CID governing documents; however, there are several cases where the law imposes limits on CID authority. For example, existing law deems void and unenforceable any CID governing provision that effectively prohibits:

1) Installation of a solar energy system by an HOA member;

2) Installation of low-water using plants, artificial turf, or other synthetic surface that resembles grass;

3) Installation of an electric vehicle charging station; and

4) Construction or use of an accessory dwelling unit.

This bill expands upon the existing list of statutory provisions limiting the scope of CID governing documents after a disaster or state of emergency. Specifically, this bill invalidates any CID governing documents that effectively prohibit a substantially similar reconstruction of a residential structure that is damaged or destroyed during a declared disaster or a state of emergency. This bill prohibits CID governing documents from impeding residential disaster recovery projects that are statutorily exempt from CEQA and the Coastal Act.

Housing Development Review Process: Planning for, and approving, new housing developments is primarily a local responsibility. Under the California Constitution, cities and counties have broad authority, known as the police power, to regulate land use in the interest of public health, safety, and welfare. Local governments enforce this authority through an entitlement process, which includes both discretionary and ministerial approvals. Gaining "entitlement" is essentially a local government's confirmation that a housing project conforms to all applicable local zoning regulations and design standards. For discretionary projects, environmental review under CEQA is often required as part of the entitlement process. CEQA can influence project design, add mitigation requirements, or delay approval if significant environmental impacts are identified.

Navigating through the various stages of housing entitlement requires developers to invest time and resources early in the development process. To address this, the Legislature has enacted various laws to streamline, expedite, and standardize approvals, particularly for projects meeting objective standards. One such law is the Permit Streamlining Act (PSA), which mandates strict deadlines for local agencies to approve or deny projects at the entitlement stage to minimize bureaucratic delays. In addition to these overarching statutes, the Legislature has also enacted more targeted laws that apply streamlined approval processes to specific housing types or circumstances.

This bill would establish a streamlined, ministerial approval process for housing developments that rebuild residential structures destroyed in a declared disaster. If a project meets specified objective standards, including limits on size, location, and ownership, it is exempt from discretionary review, including conditional use permits, and must be approved by the local government within 90 days of submittal. These provisions apply statewide, including in charter cities, and override conflicting local laws that would otherwise impede the timely entitlement of eligible rebuild projects

Once a project receives entitlement, or approval, from the local planning department, it must obtain postentitlement permits, such as building, demolition, and grading permits. Postentitlement permits are related to the physical construction of the development proposal before construction can begin. AB 2234 (Rivas), Chapter 651, Statutes of 2022, extends key provisions of the PSA to postentitlement permitting by establishing the following:

- Deemed Complete Timeframe: Agencies must determine application completeness within 15 business days of receipt;

- Substantive Review Timeframe: Agencies must approve or deny postentitlement permits within 30-60 business days, depending on project size; and

- Revision and Appeal Process: Developers have a clear process to amend applications and appeal denials or incomplete determinations.

These timeframes are critical to ensuring that housing development projects are approved expeditiously. However, while local agencies are under strict timelines to review development projects, projects that are part of a CID may be subject to further review by an HOA board or similar body to ensure that a project complies with relevant CID governing documents. This bill requires any HOA board or similar body that is part of a CID that exercises review authority over a project proposing to rebuild after a disaster or declared state of emergency to meet the same existing review timelines imposed on local agencies reviewing postentitlement phase.

Housing Approvals Process after a Disaster: Rebuilding a home or temporary housing after a natural disaster is typically subject to the same local approval processes that govern all housing development in California, unless otherwise prohibited by state or local executive orders implemented after the disaster occurs. Cities and counties, under their police power, regulate land use through an entitlement process, confirming that projects conform to zoning, design standards, and other local regulations. Even in the wake of a disaster, property owners often face a complex permitting system, requiring approvals for rebuilding or installing temporary structures, such as modular homes. These approvals may involve ministerial permits, but in many cases, discretionary reviews and additional procedural steps, including environmental review under CEQA, can apply.

For disaster survivors seeking to rebuild, navigating these processes can add significant delays and uncertainty at a time when securing shelter is urgent. Even routine postentitlement permits for building, grading, or utility connections can become bottlenecks, compounding the hardship for displaced residents. The Department of Housing and Community Development (HCD) has identified lengthy permitting timelines as a critical constraint to housing production, noting that complex procedures can discourage even the most seasoned developers from pursuing housing projects. For those who just experienced loss in a natural disaster, navigating a complex and bureaucratic system can feel next to impossible. These bureaucratic hurdles can lead to prolonged displacement, forcing families to leave their communities while awaiting approvals. Despite prior legislative efforts to streamline housing approvals, there remain few mechanisms specifically designed to expedite rebuilding or temporary housing in disaster-stricken areas, leaving survivors vulnerable to the same regulatory delays that slow housing production more broadly.

EO N-9-25, issued by Governor Newsom on January 16, 2025, suspended the enforcement of local ordinances that preclude the placement of manufactured homes, mobilehomes, or recreational vehicles on private lots for use during the repair or reconstruction of homes damaged by the Palisades or Eaton fires. This action ensures that homeowners who lose their homes in a major disaster can remain on their property in a temporary structure while permanent reconstruction occurs, allowing families to stay connected to their communities and oversee rebuilding efforts. This bill would codify that policy by making such suspensions automatic for a period of three years following any declared disaster.

In addition, this bill would require local governments to approve housing developments located on parcels where residential structures were damaged or destroyed in a disaster within 90 days of submittal, so long as the development complies with objective planning standards. It also imposes deadlines for issuing written findings if a project is deemed noncompliant. By creating a clear, time-bound, ministerial approval process, the bill seeks to ensure that the process is rebuilding housing after a disaster or declared state of emergency is not subject to the same discretionary delays that typically slow housing development. Every tool in the toolkit is needed

to expedite the rebuilding approvals process. It may be worth considering how this 90 day from submittal requirement intersects with existing laws, which begin local review shot clocks after an application is "deemed complete," and how it pertains to proposals included in the housing trailer bill of this legislative session (AB/SB 130), which establish a 60-day review timeframe for ministerial projects.

Arguments in Support: The San Diego Regional Chamber of Commerce writes in support: "the Chamber is laser-focused on supporting solutions to our region's housing crisis. Disasters throughout California, whether wildfires, earthquakes, flooding, or other events, create major challenges with rebuilding needed housing for our region and state's workforce. Emergencies and associated rebuilding only worsen the housing crisis facing California. SB 625 will help ensure that homes can be rebuilt quickly and ministerially following disasters, especially homes that are part of homeowners' associations or have been subject to certain covenants. By creating streamlined ministerial approval process and establishing timelines for homeowners' associations to review development proposals, this bill ensures that unnecessary red tape and oversight are not delaying Californians' ability to get back into their homes and recover from disaster.

Arguments in Opposition: None on file for current bill version.

Related Legislation:

AB/SB 130 (Committee on Budget/Committee on Budget and Fiscal Review) would, among other provisions, establish a 60-day review shot clock from the time of receipt of a complete application for the entitlement phase review of ministerial housing development proposals.

SB 681 (Wahab) of this Legislative session would, among other provisions, establish a 60-day review shot clock from the time of receipt of a complete application for the entitlement phase review of ministerial housing development proposals. Much of the language of SB 681, including the aforementioned provision, was included in the budget housing trailer bill (AB/SB 130).

AB 239 (Harabedian) of this Legislative session would establish a State-Led County of Los Angeles Disaster Housing Task Force, with quarterly reporting requirements. That bill is pending in the Senate Housing Committee.

AB 253 (Ward) of this Legislative session allows an applicant for specified residential building permits to contract with or employ a private professional provider to check plans and specifications if the county or city building department estimates a timeframe for this plan-checking function that exceeds 30 days, or does not complete this plan-checking function within 30 days. This bill includes an urgency clause. That bill pending in the Senate Local Government Committee.

AB 738 (Tangipa) of this Legislative session would require residential construction to repair, restore, or replace homes damaged or destroyed during a disaster to comply with the solar photovoltaic (PV) requirements that were in existence at the time the home was originally constructed. The bill is pending in the Senate Energy, Utilities, and Communications Committee.

AB 818 (Wahab) of this Legislative session would requires a local agency to approve an application for a construction permit within 14 days for a modular home, prefabricated home, or

detached accessory dwelling unit (ADU) intended to be used by a person until the rebuilding or repairing of a property destroyed or damaged by a natural disaster is complete, among other provisions. That bill is pending in the Senate Local Government Committee.

AB 1078 (Patterson, 2022) would have extended the exemption established by AB 178 for one year, until January 1, 2024. The bill was vetoed by the Governor.

AB 178 (Dahle), Chapter 259, Statutes of 2019, exempted, until January 1, 2023, any residential construction intended to "repair, restore, or replace" a residential building that was damaged or destroyed as a result of a disaster in an area in which the Governor has declared a state of emergency, before January 1, 2020, from the state's recently adopted requirements for solar photovoltaic systems, if certain requirements are met.

AB 430 (Gallagher), Chapter 745, Statutes of 2019**,** created a streamlined ministerial approval process for specified types of housing developments in cities impacted by the Camp Fire, specifically the cities of Biggs, Corning, Gridley, Live Oak, Orland, Oroville, Willows, and Yuba City.

SB 35 (Wiener), Chapter 366, Statutes of 2017, created a ministerial approval process for specified infill, multifamily housing development projects.

Double-referred: This bill was also referred to the Assembly Committee on Judiciary where it will be heard should it pass out of this Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

San Diego Regional Chamber of Commerce

Opposition

None on file for the current version of the bill.

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