

California Government Code 12955 and California Assembly Bill 12

In California, discrimination against renting to applicants or tenants solely because they have a Housing Choice Voucher (or “Section 8”) or based on their source of income is illegal. Source of income refers to how people obtain their income, including what type of job they have, and/or if they receive any public benefits like welfare or disability income. Income does not include money that you reasonably believe the tenant obtained through illegal means.

As of January 1, 2024, California Government Code 12955 Section O became effective, which states:

It shall be unlawful:

- (o) (1) In instances in which there is a government rent subsidy, to do either of the following:
 - (A) Use a financial or income standard in assessing eligibility for the rental of housing that is not based on the portion of the rent to be paid by the tenant.
 - (B) (i) Use a person’s credit history as part of the application process for a rental accommodation without offering the applicant the option, at the applicant’s discretion, of providing lawful, verifiable alternative evidence of the applicant’s reasonable ability to pay the portion of the rent to be paid by the tenant, including, but not limited to, government benefit payments, pay records, and bank statements.
 - (ii) If the applicant elects to provide lawful, verifiable alternative evidence of the applicant’s reasonable ability to pay pursuant to clause (i), the housing provider shall do both of the following:
 - (I) Provide the applicant reasonable time to respond with that alternative evidence.
 - (II) Reasonably consider that alternative evidence in lieu of the person’s credit history in determining whether to offer the rental accommodation to the applicant.
- (2) This subdivision does not limit the ability of the owner of a housing accommodation to request information or documentation to verify employment, to request landlord references, or to verify the identity of a person.

As of July 1, 2024, California Assembly Bill 12 became effective stating most housing providers can only collect a security deposit of no more than one (1) month’s rent, regardless of whether the property is furnished, in addition to any rent for the first month that is paid on or before initial occupancy. The Amendment provides exceptions for small landlords owning no more than two (2) residential rental properties.

The full California Government Code 12955 can be found at:

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=12955

The full California Assembly Bill 12 can be found at:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB12