AGN.	NO.	

MOTION BY SUPERVISORS LINDSEY P. HORVATH AND

JUNE 24, 2025

KATHRYN BARGER

Extending Price Gouging Protections for Housing

The January 2025 firestorms destroyed homes, businesses, and entire communities, and the devastation reverberated throughout Los Angeles County. Nearly six months later, tens of thousands of residents remain displaced, continuing to put pressure on our region's already unaffordable housing market.

The Declaration of a State of Emergency on January 7, 2025, activated price gouging protections under state and local law, prohibiting price increases beyond 10% of pre-disaster prices for goods and services, including housing. Subsequent state Executive Orders¹ and action taken by the Board of Supervisors² (Board) have extended price gouging protections, but the protections related to housing under California Penal Code section 396 subdivision (d), (e), and (f) are set to expire on July 1, 2025. Penal Subdivision (d) prohibits price gouging in hotel or motel rates in times of emergency, subdivision (e) prohibits price gouging for rental housing in times of emergency, and

SOLIS	
MITCHELL	
WILLEL	
HORVATH	
HAHN	-
BARGER	

MOTION

¹ Executive Orders <u>N-4-25</u>, <u>N-9-25</u>, <u>N-17-25</u> and <u>N-23-25</u>

² Item 29-B, March 4, 2025, "Extending Price Gouging Protections for Housing"

subdivision (f) prohibits eviction of a residential tenant and re-letting the unit at a higher price.

These protections are still necessary. A recent Los Angeles Times article found that rent prices in the areas adjacent to fires are climbing faster than the rest of the County.³ Families that signed six-month short-term leases in the immediate wake of the fires, could now face drastic price increases of 50% or more without further price gouging protection, as they will continue to need alternate accommodations as they rebuild their homes and their lives.

Current State law allows the extension price gouging prohibitions every 30 days, including by a local jurisdiction, if deemed necessary to protect the lives, property, or welfare of the citizens. The County also has enacted local price gouging prohibitions as permitted by State law in County Code Chapter 8.09, which are also subject to State law extension requirements. With these critical price gouging protections about to expire, it is necessary that the Board of Supervisors act to continue to protect residents from unscrupulous and excessive housing price increases during this ongoing emergency.

WE, THEREFORE, MOVE that the Board of Supervisors, effective July 1, 2025, extend for thirty (30) days, through and including July 31, 2025, the protections of California Penal Code section 396, subdivisions (d), (e), and (f), to limit price-gouging in the rental market and in hotels and motels and to continue its protections against eviction and the protections of County Code Chapter 8.09, pursuant to Penal Code section 396(g). The Board finds that this extension is necessary because complaints of price gouging are

_

³ "In areas near January's fires, rent is climbing faster than in rest of county," Los Angeles Times, 5/30/25

continuing, and have been increasing, and such an extension will protect the lives, property, and/or welfare of the residents of the County.

#

LPH:cl