AGN. NO	_
JULY 29, 2025	

MOTION BY SUPERVISORS LINDSEY P. HORVATH AND

KATHRYN BARGER

Extending Price Gouging Protections for Housing

The Declaration of a State of Emergency on January 7, 2025 as a result of the tragic wildfires 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 actions 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 31, 2025. 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 subdivision (f) prohibits eviction of a residential tenant and re-letting the unit at a higher price.

These protections are still necessary. Tens of thousands of people remain displaced, and families which signed short-term leases in the immediate wake of the fires

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HOA.105473171.2 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" Item 7, June 24, 2025,

[&]quot;Extending Price Gouging Protections for Housing"

could face drastic price increases of 50% or more without further price gouging protection.

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 The Board recently voted to establish an urgency ordinance to strengthen enforcement of its price gouging laws.⁴

Current State law allows the extension of 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 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 August 1, 2025, extend for thirty (30) days, through and including August 30, 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 continuing, and have been increasing, and such an extension will protect the lives, property, and/or welfare of the residents of the County.

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

⁴ Item 9, July 15, 2025, "Clarifying and Strengthening the Enforcement Process for Price Gouging During a State of Emergency"