AGN. NO	
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MOTION BY SUPERVISORS LINDSEY P. HORVATH

September 16, 2025

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 Board of Supervisors² (Board) actions have extended price gouging protections, but the protections related to housing are set to expire after September 30, 2025. With limited stated exceptions, in a declared emergency, California Penal Code section 396 subdivision (d) prohibits price gouging in hotel or motel rates, subdivision (e) prohibits price gouging for rental, and subdivision (f) prohibits eviction of a residential tenant and re-letting the unit at a higher price.

These protections continue to be necessary. Tens of thousands of people remain displaced, and families which signed short-term leases could face drastic price increases of 50% or more without further price gouging protection. Rent prices in the areas adjacent

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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, Item 7, June 24, 2025, Item 11, July 29, 2025, Item 15, August 12, 2025

to fires continue to climb faster than the rest of the County.³ The Board recently approved 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 continue to protect residents from unscrupulous and excessive housing price increases during this ongoing emergency.

I, THEREFORE, MOVE that the Board of Supervisors, effective September 30, 2025, extend for thirty (30) days, through and including October 29, 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 54, September 2, 2025