

SB 641 – Consumer Protection and Business Recovery Act Protecting consumers and licensed professionals affected by wildfires or natural disasters.

SUMMARY

SB 641 grants the Department of Consumer Affairs (DCA) and the Department of Real Estate (DRE) the authority to waive or exempt certain licensure requirements during declared states of emergency.

Additionally, this bill establishes timelines and certification requirements for proper debris removal and protects disaster victims from predatory land purchasing schemes of their properties.

BACKGROUND

In January 2025, Los Angeles experienced the most catastrophic wildfires in its history. Beginning January 7, strong Santa Ana winds and severe dry conditions fueled a series of fires across L.A. County, consuming tens of thousands of acres. The Palisades and Eaton Fires were the most destructive, burning over 20,000 and nearly 14,000 acres, respectively. In total, the fires claimed at least 28 lives and destroyed over 16,240 structures.¹

Climate change is making wildfires more frequent and severe. Since 1950, the areas burned by California wildfires has steadily increased each year. Drought and rising temperatures have intensified the effects of low precipitation and snowpack, creating ideal conditions for fast-spreading, high-severity wildfires. As a result, disasters like the LA fires are becoming more common, leaving communities vulnerable and disrupting local economies.

DRE administers Real Estate Law, which oversees the licensing and conduct of real estate brokers and salespeople. DRE also protects consumers from fraud, misrepresentation, and unlawful business practices in property sales and leasing, which are issues that arise when disaster victims are most vulnerable. DCA oversees the licensing process for various professions. They set and enforce requirements for educational qualifications, exams, and work experience. Licensed professionals must follow renewal schedules and pay fees to keep their licenses active, which can become especially burdensome to individuals who are displaced after a disaster.

THE PROBLEM

When disasters strike, licensed professionals in affected areas face significant barriers to maintaining their ability to work. Current law does not consider disruptions caused by emergencies, leaving professionals at risk of losing their licenses due to their inability to meet renewal deadlines, mandatory fees, and continuing education requirements. These barriers are especially harmful when disaster survivors rely on these skilled professionals to rebuild.

Disaster survivors also face increased risks of predatory real estate practices, such as unsolicited purchase offers targeting vulnerable property owners. Current law lacks a clear mechanism to provide immediate relief to licensed professionals or protect consumers from land exploitation in disaster zones.

Another critical issue is the lack of oversight in private debris removal and cleanup efforts. After major disasters, property owners often turn to private companies for cleanup services – but without proper standards, some operators cut corners, or fail to meet critical safety regulations.

THE SOLUTION

SB 641 will authorize licensing programs to waive certain requirements for individuals in disaster areas during a state of emergency. This will help professionals maintain their licensure status, ensuring they can continue to work without facing administrative burdens.

This bill also strengthens protections for disaster survivors by addressing predatory real estate practices. SB 641 ensures swift action against exploitation and holds bad actors accountable.

Lastly, this bill establishes baseline safety and quality standards for private debris removal and cleanup by requiring contractors to obtain licenses, ensuring that only qualified professionals handle these jobs. This provision helps reduce long-term

¹ Economic Impact of the Los Angeles Wildfires

health and environmental risks in disaster-impacted areas.

FOR MORE INFORMATION

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