

Date of Hearing: January 22, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1070 (Ward) – As Amended January 5, 2026

Policy Committee: Housing and Community Development      Vote: 11 - 0

Urgency: No      State Mandated Local Program: No      Reimbursable: No

**SUMMARY:**

This bill requires the Department of Housing and Community Development (HCD) to convene a working group to consider amendments to state building standards to allow residential developments between three and 10 units to be built under the California Residential Code (Residential Code). This bill also requires HCD to review residential construction cost pressures resulting from new or existing building standards requirements and to report its findings to the Legislature.

Among its provisions, this bill:

- 1) Requires HCD, by December 31, 2027, to convene a working group to include the California Building Standards Commission (Commission), State Fire Marshal, State Architect, Energy Commission, and other stakeholders, to research and consider recommending amendments to state building standards allowing residential developments of between three and 10 units to be built under the requirements of the Residential Code, and any necessary modifications to maintain health and safety standards for the developments. HCD must report its findings to the Legislature by December 31, 2028, in its annual report.
- 2) Requires HCD, if the working group recommends amendments to the building standards, to research and consider proposing standards for adoption by the Commission for the next triennial update of the California Building Standards Code that occurs on or after January 1, 2027.
- 3) Requires HCD to conduct a review of construction cost pressures resulting from new or existing building standards requirements in the California Building Standards Code for single-family and multifamily residential construction and provide an initial report to the Legislature by December 31, 2027, in its annual report.
- 4) Requires HCD, beginning with the next triennial edition of the California Building Standards Code that occurs on or after January 1, 2031, and every three years thereafter, to perform a review of construction cost pressures as described above to revise or update standards, as needed.

**FISCAL EFFECT:**

- 1) HCD estimates General Fund (GF) costs of \$1.69 million in fiscal year (FY) 2026-27, and \$388,000 in FY 2027-28, and annually thereafter. These costs include ongoing funding for

one staff position to support the new workload created by this bill, one-time contracting costs of \$1.5 million in the first year to perform the review of residential construction cost pressures, and, for every triennial cycle thereafter, contracting costs of approximately \$570,000 per cycle or \$190,000 per year. HCD indicates the consultant work would be significant and require coordination and outside entity contribution.

- 2) Based on last year's nearly identical bill, estimated costs to the Division of the State Architect of approximately \$256,000 annually for two years to participate in the working group and consider amendments to building standards under its jurisdiction (Disability Access Fund and Public School Planning, Design, and Construction Review Revolving Fund).
- 3) Minor and absorbable costs (GF and special funds) for the Energy Commission and State Fire Marshal to participate in the working group and assist HCD in the investigation of possible building standards changes.

#### COMMENTS:

- 1) **Purpose.** According to the author, this bill could “unlock the production of triplexes and other smaller multi-family housing types by streamlining code requirements, while preserving health and safety and opening up a broader workforce to build these projects.”
- 2) **Background.** *California Building Standards Code.* Existing law authorizes the Commission, located within the Department of General Services, to approve and adopt building standards through a triennial rulemaking process to revise and update the California Building Standards Code. There are approximately twenty state agencies that develop building standards for submittal to the Commission for review, approval, and adoption. HCD is responsible for proposing building standards to the Commission for residential buildings including, hotels, motels, lodging houses, apartment houses, dwellings, buildings and structures. In the absence of a designated state agency, the Commission is required to adopt specific building standards, as prescribed. Building standards take effect 180 days after they are published, unless a different date is specified.

The California Building Standards Code includes various sections, including an Administrative Code, Residential Code, Building Code, Electrical Code, Plumbing Code, and Fire Code, among others. The Residential Code governs construction of one- and two-family residential dwellings and townhouses of three stories or less, while the Building Code establishes requirements for the general building design and construction requirements for all other buildings, including medium- and high-density housing.

Affordable housing advocates assert certain reasonable requirements in the Building Code for larger buildings can make development prohibitively complicated or render infeasible smaller building projects. As a result, several jurisdictions across the United States allow smaller, “missing-middle housing types,” including triplexes and fourplexes, to be built under the requirements of the Residential Code.

This bill directs HCD to convene a working group to examine modifying the Building Code and Residential Code for smaller developments between three and 10 units.

*Cost Pressure Study.* Existing law requires new building standards being proposed to the Commission to be accompanied by an analysis that justifies approval, based on specified criteria. Existing law requires the proposing entity to analyze the cost to the public of individual building code modifications but does not require that an entity review the cumulative cost impacts of the individual changes.

This bill requires HCD to perform a review of construction cost pressures resulting from proposed or existing building standards and to update or revise standards as needed.

- 3) **Related Legislation.** This bill is a reintroduction of last year's AB 6 (Ward), which was held on the Senate Appropriations Committee's suspense file.
- 4) **Prior Legislation.** AB 2934 (Ward) of the 2023-24 Legislative Session, was substantially similar to this bill. AB 2934 was held on the Senate Appropriations Committee's suspense file.

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