
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 1131 (Ta) - General plan: annual report: congregate care for the elderly

Version: April 10, 2025

Urgency: No

Hearing Date: July 14, 2025

Policy Vote: HOUSING 11 - 0

Mandate: No

Consultant: Mark McKenzie

Bill Summary: AB 1131 would authorize a city or county to count the number of housing units approved for congregate housing for the elderly towards meeting up to 15% of the jurisdiction's share of the regional housing need allocation (RHNA) for any income category, as reported in its annual progress report (APR).

Fiscal Impact:

- The Department of Housing and Community Development (HCD) indicates that this bill would impose ongoing workload to collect, validate, and store reported data on congregate housing units, and provide technical assistance to local agencies, as well as one-time costs to update the housing element APR form and to update IT systems. HCD estimates that costs associated with this bill would be absorbable, assuming resources are approved for other APR-related bills that are pending in the Legislature. Staff estimates that workload directly attributable to this bill would likely exceed \$50,000, and could be as high as \$150,000 if no other APR bills are enacted and HCD would still be responsible for one-time fixed costs to update forms and IT systems, and to provide ongoing data collection and technical assistance services. See Staff Comments. (General Fund)

Background: Existing law requires cities and counties to prepare a general plan comprised of seven mandatory elements, including a housing element that includes an identification of existing and projected housing needs. The housing element must include an inventory of land suitable for residential development, which is used to identify sites that can be developed for housing within the planning period that is sufficient to meet the regional housing needs for all income levels. Housing elements must be updated every eight years in urban areas, and every five years in more rural areas.

Existing law requires each city and county to submit an APR to HCD and the Governor's Office of Land Use and Climate Innovation (LCI) by April 1 of each year that includes specified information relating to the status and progress of implementing the general plan, including steps taken to meet the jurisdiction's share of regional housing needs pursuant to its housing element. Among this information, cities and counties must report zoning and rezoning information, specified information regarding density bonuses granted, the number of housing development applications received in the prior year and the number of proposed units included in those developments, the number of units approved and disapproved in the prior year, the number of housing units that were demolished in the prior year, and the net number of new housing units issued a completed entitlement, building permit, or certificate of occupancy in the housing element cycle, and the income category of each unit.

Existing law defines “congregate housing for the elderly” as a housing development that is planned, designed, and managed to include facilities and common space that allow for direct services and support services that maximize the residents’ potential for independent living and which is occupied by elderly or handicapped persons or households. Under existing law and guidance, group quarters, such as those included in assisted living facilities that provide for congregate housing for the elderly, are not considered “housing units” that can be included as units that meet a jurisdiction’s share of the RHNA. In addition, housing units in an assisted living setting are often excluded, in part, because income categorization of this nuanced housing type is difficult to determine because the cost to the occupant is not necessarily set in a traditional monthly rent schedule, but rather as a room-and-board charge or bed-space charge. As a result, actual out-of-pocket costs may vary from one occupant to another, even within the same suite, or room within a suite.

Proposed Law: AB 1131 would authorize a city or county to include the number of units approved for congregate housing for the elderly for up to 15% of the jurisdiction’s regional housing need allocation for any income category. This information would be included in the jurisdiction’s APR for the seventh and each subsequent revision of the housing element.

Related Legislation: AB 670 (Quirk-Silva), which is currently pending in this Committee, would require local agencies to include additional information regarding the demolition and replacement of housing units in their APRs, and authorize local agencies to count the number of existing multifamily housing units converted to long-term, deed-restricted affordable housing towards meeting their share of the regional housing need.

AB 726 (Avila Farias), which is currently pending in the Senate Housing Committee, would authorize cities and counties to include the number of units of deed-restricted affordable housing that have been substantially rehabilitated in their APRs.

AB 130 (Budget Committee), Chap. 22/2025, a recently enacted housing budget trailer bill, includes a provision that requires cities and counties to include specified information in their APRs regarding housing development projects approved and constructed pursuant to the Affordable Housing on Faith and Higher Education Lands Act of 2023.

Staff Comments: HCD notes that there are multiple bills pending in the Legislature that would revise the information that local agencies include in their APRs, including this bill, as well as AB 670 (Quirk-Silva) and AB 726 (Avila Farias), all of which would create ongoing staff workload for HCD’s Data and Innovation Unit for new data collection and coordination with local agencies, as well as one-time costs to make changes to the APR form and IT systems. HCD estimates that one-time costs of \$100,000 for APR form updates and IT changes, and ongoing staff workload costs of \$230,000 for 1.0 PY of new staff that have been identified in the fiscal impact for AB 670 (Quirk-Silva) should be sufficient to accommodate the workload associated with all of the APR-related bills combined. As such, staff notes that the costs directly attributable to this bill would likely only represent a portion of the one-time and ongoing costs reported by the department if all of the APR-related bills are enacted. If this bill is the only bill enacted that impacts HCD’s workload, however, staff notes that HCD would likely incur General Fund costs in the range of \$100,000 to \$150,000.

Recommended Amendments: Staff notes that AB 130 (Budget Committee), Chap. 22/2025, was recently enacted as a Housing budget trailer bill, and included a provision that amended Government Code 65400, which this bill would also amend. This bill should be amended to avoid chaptering out the changes enacted by AB 130.

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