
THIRD READING

Bill No: AB 1154
Author: Carrillo (D)
Amended: 7/3/25 in Senate
Vote: 21

SENATE HOUSING COMMITTEE: 11-0, 7/1/25
AYES: Wahab, Seyarto, Arreguín, Cabaldon, Caballero, Cortese, Durazo,
Gonzalez, Grayson, Ochoa Bogh, Padilla

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 7/9/25
AYES: Durazo, Choi, Arreguín, Cabaldon, Laird, Seyarto, Wiener

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 70-1, 4/28/25 - See last page for vote

SUBJECT: Junior accessory dwelling units

SOURCE: California YIMBY, Lieutenant Governor Eleni Kounalakis

DIGEST: This bill limits owner-occupancy requirements for junior accessory dwelling units (JADUS)

ANALYSIS:

Existing law:

- 1) Defines a JADU to mean a unit that is no more than 500 square feet in size and contained entirely within a single-family residence. A JADU may include separate sanitation facilities or may share sanitation facilities with the existing structure.
- 2) Requires JADUs to be permitted in all single-family residential zones, and establishes certain development standards and local approval requirements for the creation of JADUs.

- 3) Requires all single family residences with JADUs to be owner-occupied, meaning that the property owner is required to live in either the remaining portion of the primary residence once a JADU is created, or in the newly created JADU. This requirement exists regardless of whether or not the JADU has shared sanitation facilities.

This bill:

- 1) Eliminates owner-occupancy requirements for JADUs if the JADU has sanitation facilities (e.g., bathrooms) that are separate from the existing structure.
- 2) Requires that a rental of a JADU be for a term longer than 30 days.

Background

ADUs/JADUs. ADUs, also known as mother-in-law units or granny flats, are additional living spaces that have a separate kitchen, bathroom, and exterior access independent of the primary residence; ADUs may be attached or detached from the primary residence. A JADU is a unit of up to 500 square feet within the primary residence. ADU/JADU law has evolved over the years to lower barriers to ADU development which has resulted in a surge in ADUs built in California. SB 1069 (Wieckowski, Chapter 720, Statutes of 2016) and AB 2299 (Bloom, Chapter 735, Statutes of 2016), permitted ADUs by-right on all residentially-zoned parcels in the state. By permitting an ADU as a second unit on all single-family lots, these laws effectively doubled their allowed density. According to HCD, between 2016-2023, the number of ADUs permitted annually in the state grew from 1,336 to 26,924, a 20-fold increase. In 2023, ADUs comprised more than 21% of all homes permitted statewide.

Comments

Author's statement. "ADUs and JADUs are powerful tools to help homeowners build generational wealth while addressing California's housing shortage. AB 1154 streamlines our housing laws by removing unnecessary barriers that deter homeowners from adding these much-needed units. By eliminating restrictive owner-occupancy requirements and aligning parking mandates for smaller ADUs with JADUs, we are empowering more Californians to maximize their property's potential and increase the availability of affordable housing in our state."

Owner Occupancy Requirements: ADUs/JADUs. Owner occupancy requirements also differ between ADUs and JADUs. While there is no owner-occupancy

requirement for ADUs, JADUs require the property owner to reside on-site, in either the primary home or the JADU itself. This bill would remove the owner-occupancy requirement for JADUs that have their own private bathroom, allowing a property owner to rent out both the main residence and the JADU. Essentially allowing the conversion of an existing single family home into a type of duplex. JADUs with shared sanitation facilities would still be subject to owner-occupancy requirements.

Occupying JADUs. JADU Law provides that a JADU is a residential unit up to 500-square feet constructed entirely within the walls of a proposed or existing single-family residence. A JADU is required to include an efficiency kitchen but is not required to include its own bathroom. A JADU that does not include a bathroom is required to have access to the bathroom and living space in the primary dwelling unit. A JADU could look like a studio apartment built within the walls of an existing home or an attached garage, effectively adding a new dwelling unit to the rental market; alternatively, a project to convert a basement into a poolroom or home theatre with a small kitchen/bar could be considered a JADU and afforded all of the streamlined permitting benefits of JADU law, and counted as a new residential unit.

It is unclear what percent of newly developed JADUs are occupied as independent dwelling units, serving a resident that would otherwise need to find another unit in the rental market. Data available on ADUs suggests that roughly half of newly constructed ADUs add new supply to the rental market with another 10%-15% of newly built ADUs being used to house family or friends, indirectly reducing demand in the rental market.¹ It is not clear how these numbers translate to JADUs, which unlike ADUs are not required to include features required for independent living facilities.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 8/19/25)

California YIMBY (Sponsor)

Lieutenant Governor Eleni Kounalakis (Sponsor)

UnidosUS(Sponsor)

Abundant Housing LA

Bay Area Council

California Apartment Association

¹ Karen Chapple, Dori Ganetsos, and Emmanuel Lopez, *Implementing the Backyard Revolution: Perspectives of California's ADU Owners* (Berkeley, CA: UC Berkeley Center for Community Innovation, April 22, 2021), 15-16.

California Community Builders
Casita Coalition
Circulate San Diego
Fieldstead and Company, INC.
Fremont for Everyone
House Sacramento
People for Housing - Orange County
Redlands Yimby
San Fernando Valley for All
SPUR
Student Homes Coalition
The Central Valley Urban Institute
The Two Hundred
Ventura County Clergy and Laity United for Economic Justice
Ventura County YIMBY
Westside for Everyone

OPPOSITION: (Verified 8/19/25)

Association of California Cities - Orange County
City of Lake Forest
City of Los Alamitos
City of Santa Clarita
Hello Housing

ARGUMENTS IN SUPPORT: UnidosUS writes in support, “By expanding ADU and JADU development, especially in high-need areas, AB 1154 accelerates housing production, reduces construction costs, and advances California’s housing goals by eliminating outdated restrictions that hinder affordable housing growth. This will also help to support residents by expanding their opportunities to leverage existing space to facilitate multi-generational living, create increased opportunities for student housing, and support homeowners by providing new opportunities to supplement mortgage payments as cost of living continues to rise.”

ARGUMENTS IN OPPOSITION: The City of Los Alamitos writes in opposition, “AB 1154 eliminates the owner occupancy requirements for [JADUs] if the JADU has sanitation facilities separate from the main residence. Lastly, the bill requires that rentals of JADUs must be for a term longer than 30 days. Owner occupancy requirements for lots that contain an ADU play an important role in ensuring community safety and compliance with local ordinances.”

ASSEMBLY FLOOR: 70-1, 4/28/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Berman, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Jackson, Kalra, Lackey, Lee, Lowenthal, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Boerner

NO VOTE RECORDED: Bennett, Flora, Irwin, Krell, Macedo, Muratsuchi, Sanchez, Solache

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