SENATE COMMITTEE ON HOUSING

Senator Aisha Wahab, Chair 2025 - 2026 Regular

Bill No: AB 1308 **Hearing Date:** 7/15/2025

Author: Hoover

Version: 7/10/2025 Amended

Urgency: No **Fiscal:** Yes

Consultant: Alison Hughes

SUBJECT: Residential building permits: inspections: Housing Accountability

Act

DIGEST: This bill requires a building department to conduct an inspection of permitted work within 10 days of receiving a notice of the completion of the permitted work authorized by a building permit issued for specified housing projects.

ANALYSIS:

Existing law:

- 1) Requires, if the local enforcement agency fails to conduct an inspection of permitted work within 60 days of receiving notice of the completion of the permitted work, the permittee to be entitled to reimbursement of the permit fees.
- 2) Generally defines, for a residential building permit, "excessive delay" to mean the building department or building division of a local agency has taken more than 30 days after submitting a complete application to complete the structural building safety plan check of the applicant's set of plans and specifications that are suitable for checking. "Residential building" means a one-to-four family detached structure not exceeding three stories in height.
- 3) Establishes the California Building Standards Commission (CBSC) within the Department of General Services, which requires CBSC to approve and adopt building standards and codify those standards in the California Building Standards Code.
- 4) Establishes the Permit Streamlining Act (PSA), which, among other things, establishes time limits within which state and local government agencies must either approve or disapprove permits to entitle a development.

- 5) Establishes the Housing Accountability Act (HAA), which provides that a local government may only disapprove a housing development project under specified circumstances. Specifically, among other provisions, the HAA:
 - a) Defines "disapprove the housing development project" as any instance in which a local agency does any of the following:
 - i) Votes or takes a final administrative action on a proposed housing development project application and the application is disapproved, including any required land use approvals or entitlements necessary for the issuance of a building project.
 - ii) Undertakes a course of conduct that effectively disapprove the housing development project, as specified
 - iii) Violates development review standards of the Housing Crisis Act, as specified.
 - iv) Fails to comply with specified time periods for approving or disapproving development projects.
 - v) Fails to make a determination of whether a project is exempt from the California Environmental Quality Act, or commits an abuse of discretion, as specified.
- 5) Prohibits a local agency, from disapproving a housing project containing units affordable to very low-, low- or moderate-income households, or conditioning the approval in a manner that renders the housing project infeasible, unless it makes specified findings.

This bill:

- 1) Requires a building department to conduct an inspection of permitted work within 10 days of receiving a notice of the completion of the permitted work authorized by a building permit issued for a housing project.
- 2) Provides that the provisions in (1) shall only apply to the following:
 - a) New residential construction that contains at least one unit, but no more than ten units, contains only residential units, and has no floors used for human occupancy located more than 40 feet above ground level; and

- b) A residential addition to an existing building that contains one to nine dwelling units, contains only residential units, and has no floors used for human occupancy located more than 40 feet above ground level, for the purpose of adding new residential units to the exiting building, not to exceed 10 total units as proposed to be constructed.
- 3) Provides that a city or county that fails to meet the time limit in (2) shall be in violation of the HAA. Specifically, this bill would add the failure to meet the timeline in (2) to the definition of "disapprove the housing development project" in the HAA.

Background

The Permit Streamlining Act (PSA). The PSA requires public agencies to act fairly and promptly on applications for development proposals, including housing developments. Public agencies must develop lists of the information that applicants must provide in order for a development application, including an application for housing, to be complete and explain the criteria they will use to review permit applications. Public agencies have 30 days to determine whether applications for development projects are complete and request additional information; failure to act results in an application being "deemed complete." If an application is incomplete, the PSA requires local agencies to exhaustively list all information needed to make a development application complete and prohibits local agencies from asking for additional information that was not initially required.

Once a complete application for a development has been submitted, the PSA requires local officials to act within a specific time-period after completing any environmental review documents required under CEQA, ranging between 60 and 180 days. If the local government fails to approve or disapprove the application in the applicable time-period, the application is deemed approved.

HAA. In 1982, in response to the housing crisis, which was viewed as threatening the economic, environmental, and social quality of life in California, the Legislature enacted the HAA, commonly referred to as the Anti-NIMBY Law. The purpose of the HAA is to help ensure that a city does not reject or make infeasible housing development projects that contribute to meeting the housing need determined pursuant to the Housing Element Law without a thorough analysis of the economic, social, and environmental effects of the action and without complying with the HAA. The HAA restricts a city's ability to disapprove, or require density reductions in, certain types of residential projects. The HAA does

not preclude a locality from imposing developer fees necessary to provide public services or requiring a housing development project to comply with objective standards, conditions, and policies appropriate to the localities share of the regional housing needs assessment.

If a court finds that a locality violated the HAA, the court must issue a judgement or order compelling compliance with the HAA, and may impose attorney's fees. Failure to comply within a specified period of time could result in added fines.

Comments

- 1) Author's statement. "California faces a severe and worsening housing crisis, marked by a shortage of homes insufficient to meet the needs of all Californians. Delays in local government inspections for completed housing developments are listed as a significant roadblock in the housing production pipeline. Lengthy delays at this stage creates uncertainty for developers and increases costs for homeowners. AB 1308 addresses this critical administrative hurdle by allowing applicants to use third-party professionals to inspect a completed work if the local building department takes more than 30 days to conduct the inspection. This flexibility will further streamline and enhance the efficiency of the inspection process for small residential projects and will ensure that local governments remain focused on housing delivery while giving applicants a pathway to avoid unnecessary delays."
- 2) New Construction. According to HCD's Annual Progress Report (APR) dashboard, from 2018-2023 there were 540,201 new homes built in California, or roughly 90,000 per year. The number of completed units increased each year from a low of 69,861 in 2018 to a high of 112,970 in 2023. Despite this dramatic uptick in construction, these numbers fall significantly short of the need for new housing (2.5 million units in the next 8 year planning cycle).
- 3) *Inspection delays*. While developers in smaller jurisdictions generally cite fewer issues with inspection delays, those building in larger urban areas may face backlogs in scheduling and completing inspections, creating government-imposed uncertainty even after the permitting process is complete. The state does not systematically track inspection timeframes, as it does for entitlement and permitting approval timelines, but anecdotal evidence indicates that inspection-related delays can slow down construction timelines in high-demand regions where staffing shortages and project volumes are greatest.

This bill seeks to address inspection-related delays for small- to mid-sized residential projects by establishing clear timelines and penalties for final

construction inspections. It applies to projects involving construction of new units. Projects may not exceed 10 units and may not measure 40 feet above ground level. If the agency fails to conduct an inspection within 10 days, the local government will be in violation of the HAA.

4) *Incoming!* This bill was referred to the Senate Local Government Committee and passed out on July 9th on a vote of 7-0.

Related/Prior Legislation

AB 253 (Ward, 2025) —enacts the California Residential Private Permitting Review Act, which allows an applicant for small residential building permits to contract with or employ a private professional provider to check plans and specifications if specified time periods elapse.

AB 3012 (Grayson, Chapter 752, Statutes of 2024) — required cities and counties to make available on their internet websites a fee estimate tool that the public can use to calculate an estimate of fees and exactions for a proposed housing development, and required the Department of Housing and Community Development to create a fee schedule template and a list of best practices, as specified.

AB 2234 (Robert Rivas, Chapter 651, Statutes of 2022) — required local agencies to process non-discretionary permits within 30 days for small housing development projects and 60 days for large housing development projects.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, July 9, 2025.)

SUPPORT:

California Yimby (Sponsor)

Abundant Housing L.a.

All Voting Members of the North Westwood Neighborhood Council

Bay Area Council

Circulate San Diego

Elevate California

Fieldstead and Company, INC.

Fremont for Everyone

Housing Trust Silicon Valley

Inner City Law Center

Institute for Responsive Government Action
People for Housing - Orange County
Redlands Yimby
South Pasadena Residents for Responsible Growth
Spur
Student Homes Coalition
The Two Hundred
Ventura County Yimby
Westside for Everyone

OPPOSITION:

None received.

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