

---

## SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair  
2025 - 2026 Regular Session

---

**AB 1567 (Ta) - General plan: annual report: congregate and residential care for the elderly**

**Version:** June 18, 2026

**Urgency:** No

**Hearing Date:** June 29, 2026

**Policy Vote:** HOUSING 10 - 0

**Mandate:** No

**Consultant:** Mark McKenzie

**Bill Summary:** AB 1567 would authorize a city or county to count the number of housing units approved for congregate housing for the elderly or residential care facilities for the elderly (RCFEs) towards meeting up to 15% of the jurisdiction's share of the regional housing need allocation (RHNA) for any income category, as specified, and to include that information 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 or RCFEs, 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 notes that there are multiple pending bills that would impact APR requirements, and that if several such bills are enacted, total costs would be in the hundreds of thousands of dollars. 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. Existing law defines “Residential care facility for the elderly” as a housing arrangement chosen voluntarily by persons 60 years of age or over, or their authorized representative, where varying levels and intensities of care and supervision, protective supervision, personal care, or health-related services are provided, based upon their varying needs, as determined in order to be admitted and to remain in the facility.

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 permanent “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 1567 would authorize cities and counties, for the seventh and subsequent revision of the housing element, to include in their APRs the number of units for up to 15 percent of their RHNA for each income category, if congregate housing for the elderly or RCFEs is included in the regional housing needs determination, as specified.

**Related Legislation:** SB 1116 (Caballero), which is currently pending in the Assembly Housing and Community Development Committee, would make numerous changes to the Starter Home Revitalization Act (SHRA), require local agencies that adopt SHRA ordinances to submit them to HCD for review to determine compliance, and require local agencies to include additional information regarding SHRA developments in their APRs, as specified.

SB 1426 (Housing Committee), an urgency measure that has been approved by the Legislature and is awaiting action by the Governor, consolidates numerous existing provisions in state law that require local agencies to include additional information in their APRs into Government Code Section 65400, the general APR statute.

AB 1131 (Ta), which was held on this Committee’s Suspense File last year, is substantially similar to this bill.

**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 SB 1116 (Caballero) and others, 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 (the HCD Connect database). HCD estimates that, if several APR-related bills

are enacted, additional resources would be required to implement them, with total costs in the hundreds of thousands of dollars, including both one-time and ongoing costs. 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 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 SB 1426 (Housing Committee) is awaiting action by the Governor, and includes amendments to Government Code Section 65400, which this bill would also amend. To the extent SB 1426 is chaptered, this bill should be amended to avoid chaptering out the changes contained in that bill. Amendments may also be required to avoid chaptering conflicts with other bills proposing to amend this section of law that are moving through the Legislature.

-- END --