

THIRD READING

Bill No: AB 1567
Author: Ta (R)
Amended: 8/21/26 in Senate
Vote: 21

SENATE HOUSING COMMITTEE: 10-0, 6/16/26

AYES: Arreguín, Seyarto, Cabaldon, Caballero, Cortese, Durazo, Gonzalez,
Grayson, Ochoa Bogh, Padilla

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26

AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 71-0, 5/21/26 - See last page for vote

SUBJECT: General plan: annual report: congregate and residential care for the
elderly

SOURCE: Author

DIGEST: This bill allows cities and counties to include congregate housing for the elderly and residential care facilities for the elderly in their annual progress report (APR) and allows those units to count toward a portion of the jurisdiction's share of the regional housing need.

Senate Floor Amendments of 8/21/26 address chaptering issues with SB 1116 (Caballero).

ANALYSIS:

Existing law:

- 1) Provides that each community's fair share of housing be determined through the housing element cycle, which is composed of three main stages:

- a) The Department of Finance and Department of Housing and Community Development (HCD) prepare a regional housing needs determination (RHND).
 - b) Councils of government (COGs) allocate the determined housing needs to local governments within the region through a regional housing needs allocation (RHNA) plan (where a COG does not exist, HCD makes the determinations).
 - c) Cities and counties incorporate their allocations into their housing elements.
- 2) Requires each city and county to adopt a housing element, which must contain specified information, programs, and objectives, including:
- a) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs.
 - b) A statement of the community's goals, quantified objectives, and policies relative to affirmatively furthering fair housing and to the maintenance, preservation, improvement, and development of housing.
A program that sets forth a schedule of actions during the planning period, and timelines for implementation, that the local government is undertaking to implement the policies and achieve the goals and objectives of the housing element.
- 3) Requires each jurisdiction to submit an APR to its legislative body, HCD, and the Governor's Office of Land use and Climate Innovation (GO-LUCI) by April 1 of each year that includes specified information, including progress in meeting its share of the regional housing need, a list of sites rezoned to accommodate allocation for each income level that could not be accommodated on sites identified in the housing element's sites inventory, and the number of net new units of housing that have been issued a completed entitlement, building permit, or certificate of occupancy and the income category that each unit satisfied.

This bill allows a city or county, beginning with the 7th housing element cycle, to include the number of units approved for congregate housing for the elderly and residential care facility for the elderly for up to 15% of the jurisdiction's RHNA for any income category, provided that these units were considered in the RHND applicable to the city or county.

Background

Housing Elements and RHNA. Each community's general plan must include a housing element, which outlines a long-term plan for meeting the community's existing and projected housing needs. The housing element demonstrates how the community plans to accommodate its "fair share" of its region's housing needs. Following a staggered schedule, cities and counties located within the territory of a metropolitan planning organization (MPO) must revise their housing elements every eight years, and cities and counties in rural non-MPO regions must revise their housing elements every five years. These five- and eight-year periods are known as the housing element planning period.

Before each revision, each community is assigned its fair share of the region's housing need for four separate income categories (very low-, low-, moderate-, and above-moderate income households) through a two-step process known as RHNA. In the first step, HCD determines the aggregate housing need for the region during the planning period the housing element will cover. In the second step, the COG for the region allocates the regional housing need to each city and county within the region. The COG must come up with a regional housing needs plan, to further specific objectives such as affirmatively furthering fair housing, ensuring an equitable mix of housing throughout the region, and balancing jobs and housing.

In general, a housing element must identify and analyze existing and projected housing needs, identify adequate sites with appropriate zoning to meet its share of the RHNA, and ensure that regulatory systems provide opportunities for, and do not unduly constrain, housing development. Among other things, the element specifically must include an analysis of existing subsidized housing developments that are eligible to convert to market-rate rental housing upon the expiration of affordability restrictions, and identify all public resources.

As part of the process to identify adequate sites, a city or county first prepares an inventory of existing sites zoned for housing. When the inventory of existing sites is insufficient to accommodate the need for one or more income categories, the housing element must contain a program to rezone sites within the first three years of the planning period.

Each jurisdiction must submit an APR to HCD by April 1st of each year that documents its progress toward meeting its RHNA allocation and the plans outlined in its housing element.

Comments

Author's Statement. "Cities and counties are unable to count assisted living facilities towards their RHNA numbers; however, AB 1567 would encourage cities and counties to produce more assisted living as defined by Section 50062.5 of the Health and Safety Code, freeing up more homes to be available on the market for purchase by families. This is first and foremost a definition bill that authorizes the HCD to have a definition for assisted living for meeting RHNA goals for senior housing."

Permanent v. non-permanent units. Under current housing element law, RHNA only takes into account permanent units. However, non-permanent housing units, such as assisted living facilities and student dormitories may or may not be included depending on the type of housing unit offered. According to *California's Housing Future 2040: The Next Regional Housing Needs Allocation (RHNA)*, HCD recommends that the Department of Finance use a clear rule for categorizing developments that may include both group quarters and housing units. This bill attempts to address that recommendation by allowing congregate housing for the elderly and residential care facilities for the elderly to count for up to 15% of a jurisdiction's RHNA.

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

According to the Senate Appropriations Committee:

HCD indicates that this bill would impose ongoing workload to collect, validate, and store reported data on congregate housing units or residential care facilities for the elderly, 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.

SUPPORT: (Verified 8/21/26)

City of Camarillo
California Assisted Living Association
City of Buena Park

City of San Marcos

OPPOSITION: (Verified 8/21/26)

None received

ASSEMBLY FLOOR: 71-0, 5/21/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Ellis, Flora, Fong, Gabriel, Gallagher, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Johnson, Kalra, Krell, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NO VOTE RECORDED: Arambula, Chen, Elhawary, Garcia, Jackson, Lackey, Lee, Ramos, Celeste Rodriguez

Prepared by: Hank Brady / HOUSING / (916) 651-4124
8/24/26 13:47:35

**** **END** ****