
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1621 (Wilson) - Planning and Zoning Law: postentitlement phase permits: Housing Accountability Act

Version: June 3, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: L. GOV. 6-0, HOUSING 9-0

Mandate: Yes

Consultant: Mark McKenzie

Bill Summary: AB 1621 would make various changes to the time limits and procedures for review and approval of post-entitlement permits, as specified.

Fiscal Impact:

- The Department of Housing and Community Development (HCD) notes that this bill's expansion of the scope of violations of the Housing Accountability Act (HAA) would result in an increase in requests for enforcement action and instances in which the department is required to notify the Attorney General of violations. HCD estimates that any increased enforcement workload can be addressed by existing staff and would be absorbable. (General Fund)
- Unknown local mandated costs for local agencies to revise processes and procedures regarding the review and approval of post-entitlement permit applications, and to act on appeals of permit denials on an expedited timeline. These costs are not state-reimbursable because local agencies have the general authority to charge various permit, planning, and developer fees to offset any increased costs associated with the higher level of service required by this bill. (local funds)
- Unknown court cost pressures for new workload to adjudicate additional cases filed by permit applicants seeking a writ of mandate to compel a local agency to approve an application when it fails to provide an appeal, denies an administrative appeal, or fails to decide on the appeal within specified timeframes. There could also be court impacts to the extent more cases are filed against local agencies for failure to comply with provisions that provide post-entitlement phase permit streamlining processes, which would be a violation of the HAA under this bill. The number of cases that would be filed statewide as a result of the bill are unknown. Staff notes that it generally costs about \$10,500 to operate a courtroom for one eight-hour day. Although courts are not funded on the basis of workload, increased staff time and resources may create a need for additional support from the General Fund to support court operations. The 2026-27 Budget appropriated \$70 million from the General Fund to backfill the current fund imbalance in the Trial Court Trust Fund and help pay for court operations. (Trial Court Trust Fund, General Fund)

Background: Once a housing project receives entitlement (approval) from the local planning department, the developer must obtain a range of nondiscretionary administrative permits, referred to as post-entitlement permits, to complete the work to construct or modify a building. These permits can include building permits and other

permits for: demolition; grading; excavation; electrical, plumbing, or mechanical work; encroachment in the public right-of-way; roofing; water and sewer connections, or septic systems; fire sprinklers; and home occupations. During the post-entitlement stage, housing project plans are reviewed for consistency with state housing law, which provides requirements and procedures to protect the health, safety, and general welfare of the public and occupants of housing and accessory buildings. Plans are checked for consistency with the state building codes, fire codes, energy codes, and green building standards.

Existing law, enacted by AB 2234 (Rivas), Chap. 651/2022, established time limits local agencies must follow to determine post-entitlement phase permit application completeness (15 days), to approve or deny post-entitlement permits (30 or 60 days from receipt of a complete application, depending on the size of the development), and to make final determinations on applicant appeals (60 or 90 days, depending on the size of the development). If a local agency determines that a post-entitlement permit application is incomplete, it must provide the applicant with a list of incomplete items and a description of how to correct application deficiencies and resubmit the application for approval, as specified. If a local agency finds that a completed application is noncompliant, it must also provide the applicant with a list of items that are noncompliant and a description of how the application can be remedied. If a local agency fails to meet those specified time limits, it is considered a violation of the Housing Accountability Act. HCD has enforcement authority over the HAA and may initiate enforcement reviews based on various sources, including applicant complaints.

Existing law (the HAA), limits the ability of local governments to disapprove or condition projects in a manner that renders them economically infeasible. Under the HAA a local government must approve a housing development project that is consistent with its objective general plan and zoning and subdivision standards, unless the project poses a risk to public health and safety that cannot be addressed without denying the project or reducing its size. The HAA explicitly prohibits a local agency from disapproving a housing project containing units affordable to very low-, low-, or moderate income renters, or conditioning the approval in a manner that renders the housing project infeasible, unless it makes one of a specified list of findings, based on substantial evidence in the record. The HAA also generally puts the burden of proof on the local agency to demonstrate that its decisions meet the HAA's requirements.

The HAA facilitates private enforcement of these provisions by allowing a project applicant, a person who would be eligible to reside in the proposed development, or a housing organization, as defined, to bring an action to enforce the HAA. If a court finds a local agency to be in violation of the HAA, it may issue an order or judgement compelling compliance with the HAA within 60 days. The HAA also allows a court, upon a determination that the locality has failed to comply with the order or judgment compelling compliance with the HAA within 60 days, to approve the housing development project, and impose fines on a local agency that has violated the HAA and to deposit any fine into a local housing trust fund or elect to deposit the fine in a state account. The fine must be a minimum of \$10,000 per unit, and additional fines may be imposed if the court finds that the locality acted in bad faith. Litigants supporting affordable housing projects can also recover their attorney's fees, with some limitations.

Proposed Law: AB 1621 would make the failure of a local agency to comply with certain requirements in the post-entitlement permit review and approval process a violation of the HAA subject to enforcement. The bill would also make the following changes to the process for local agency review and approval of post-entitlement phase permits:

- Prohibit a local or state agency, when reviewing a completed building permit application, from requiring or requesting more than two plan check and specification reviews.
- Explicitly authorize a local or state agency to deny a noncompliant application following two reviews, and to request additional submittals of applications that are not compliant.
- Specify that the limitation on submittals is only applicable to building permits and no other post-entitlement phase permits.
- Limit the applicability of tolling provisions specified in post-entitlement permit law to circumstances in which a permit requires review by another public agency that is independent from the local or state agency (rather than by any outside entity).
- Prohibit a local or state agency from requesting or requiring any action or inaction as a result of a building inspection that would represent a deviation from a previously approved plan or similar approval for the project, unless the local or state agency's requirement or request is accompanied by written findings based on substantial evidence in the record that both of the following apply:
 - A reasonable person could not interpret the previously approved plan or similar approval as being compliant with the applicable standards.
 - The deviation is necessary to address a specific, adverse impact on public health or safety.
- Reduce the amount of time within which a local or state agency must provide a final written determination after receipt of an applicant's written appeal of the agency's decision that a post-entitlement permit application is incomplete or noncompliant as follows:
 - Within 30 days of receiving the written appeal (rather than 60) for a project of 25 or fewer units.
 - Within 45 days of receiving the written appeal (rather than 90) for a project of 26 or more units.
- Authorize an applicant to seek a writ of mandate to compel approval of the application if the applicant's appeal is denied, a decision is not made on the appeal within the specified timeframes, or the local or state agency does not provide an appeals process.
- Specify that a local agency's failure to comply with any provision of the post-entitlement phase permit streamlining statute (rather than just the timelines in that statute) is a violation of the HAA, as specified.
- Specify that if a state agency violates any provision of the post-entitlement phase permit streamlining statute (rather than just the timelines in that statute), the permit must be deemed approved, and any related reviews deemed complete.
- Make a clarifying change to the definition of "post-entitlement phase permit" that an interdepartmental review of a building permit includes plan checking and building inspection.

Related Legislation: AB 660 (Wilson), which was held on this Committee's Suspense File last year, was substantially similar to this bill.

AB 301 (Schiavo), Chap. 488/2025, established specific timeframes for state departments to review and approve any required permits and approvals in the post-entitlement phase for housing development projects.

AB 2234 (R.Rivas), Chap. 651/2022, established time limits and procedures for local agency review and approval of post-entitlement permits, and required cities and counties to implement an online permitting system for post-entitlement permits.

Staff Comments: This bill would impose a state-mandated local program by requiring local agencies to revise processes and procedures regarding the review and approval of post-entitlement permit applications, and to act on appeals of permit denials on an expedited timeline. Staff notes, however, that any mandated local costs imposed by this bill would not be subject to state reimbursement because cities and counties have the authority to charge and adjust planning and permitting fees as necessary to cover administrative costs. Existing law authorizes planning and zoning fees to "include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations." Case law and previous decisions by the Commission on State Mandates support the position that local governments' planning costs are not reimbursable when the state imposes new planning mandates.

Recommended Amendments: The bill conflicts with several other bills that are pending in the Legislature, and additional amendments will be necessary to address chaptering conflicts, should the bill be approved by this Committee.

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