SENATE RULES COMMITTEE AB 1693

Office of Senate Floor Analyses

(916) 651-4171

THIRD READING

Bill No:	AB 1693
Author:	Zbur (D), et al.
Amended:	6/25/26 in Senate
Vote:	21

SENATE LOCAL GOVERNMENT COMMITTEE: 6-0, 6/17/26
AYES: Durazo, Choi, Arreguín, Cervantes, Laird, Seyarto
NO VOTE RECORDED: Ashby

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 10-0, 6/22/26
AYES: Wahab, Choi, Archuleta, Arreguín, Caballero, Menjivar, Niello, Richardson, Strickland, Umberg
NO VOTE RECORDED: Smallwood-Cuevas

SENATE JUDICIARY COMMITTEE: 12-0, 6/30/26
AYES: Umberg, Niello, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Valladares, Wahab, Weber Pierson, Wiener
NO VOTE RECORDED: Stern

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 77-0, 5/14/26 - See last page for vote

SUBJECT: Accelerated retailer building plan approval: tenant improvements

SOURCE: California Retailers Association

DIGEST: This bill requires a local building or permitting department to allow an applicant to have a qualified professional certifier self-certify plans for a tenant improvement relating to a retailer, as specified.

ANALYSIS:

Existing law:

1) Allows, under the California Constitution, cities and counties to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws." It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public.

2) Establishes the California Building Standards Code (Title 24 of the California Code of Regulations), which contains building standards and regulations as adopted by the California Building Standards Commission (BSC). These standards include, among other requirements, structural standards for building safety (the Building Code), fire safety standards (the Fire Code), energy efficiency standards (the Energy Code), and standards for green buildings (CalGreen). The BSC updates the Building Standards Code on a three-year cycle—the BSC published new standards that went into effect on January 1, 2026. Once adopted at the state level, cities and counties in California then enact an ordinance to adopt the codes. New construction and improvements to existing buildings must comply with the current building codes, and improvements to an existing building may trigger additional code upgrades for other parts of a building.

3) Requires local agencies to contract with a private entity on a temporary basis to perform the plan checking function, upon request of an applicant for a building permit, if there is an excessive delay in checking plans for a building permit for construction or a remodel or tenant improvement to non-residential buildings of up to three stories. Excessive delay means 50 days after submission of a complete application, or a total of 60 days if there was a resubmittal of the application. Local agencies that are required to contract out can charge an applicant fees in an amount necessary to defray costs directly attributable to hiring someone to perform plan checking services.

4) Requires, pursuant to AB 671 (Wicks, 2025), a local building or permitting department to allow an applicant to have a qualified professional certifier certify that the plans for a tenant improvement relating to a restaurant comply with applicable building, health, and safety codes. The law applies to restaurants, defined as a retail food establishment that prepares, serves, and vends food directly to the consumer. The law excludes fast food restaurants and tenant improvements subject to plan review requirements under the California Retail Food Code.

5) Specifies qualifications for qualified professional certifiers and procedures for submitting an application. It also requires the local building department to approve or deny an application within 20 business days of receiving it. If the local building department does not approve or deny the application within this time period, the certified plan is deemed approved for permitting purposes, provided that all fees and required documents have been submitted. AB 671 also establishes various enforcement measures, required the qualified professional certifier to be liable for damages or injury, and waives local government liability.

This bill:

1) Requires, notwithstanding any other law, a local building or permitting department to allow an applicant to have a qualified professional certifier certify that the plans for a tenant improvement relating to a retailer comply with applicable building, health, and safety codes.

2) Defines "retailer" as any person that is engaged in the business of making retail sales direct to the general public and "tenant improvement" as any change to the interior of the building. It also requires the qualified professional certifier to be a licensed engineer or architect that has specified liability insurance coverage and five years of experience in commercial design or plan checking.

3) Requires the tenant improvements proposed to be permitted pursuant to the bill to comply with all applicable building, health, and safety codes. The professional certifier must prepare an affidavit attesting that the tenant improvement plans comply with all applicable laws and regulations, and either the certifier or the applicant must attest that the retailer is eligible for the program.

4) Requires the local building department to approve or deny the application within 20 business days of receiving a complete application.

5) Provides that, if a complete application is denied during that period, the applicant may resubmit corrected plans addressing the deficiencies identified in the denial. The local building department must approve or deny each subsequent resubmission within 10 business days of receipt. This bill provides that self-certification does not exempt a tenant improvement from other mandatory construction inspections, including, but not limited to, fire, health, and structural inspections conducted during or after construction.

6) Allows local building departments can charge permit fees to applications using a qualified professional certifier.

7) Requires local building or permitting departments must conduct a random audit of no less than 20% of all tenant improvements submitted for self-certification every week. Those audits must be initiated within five business days after the permit is issued and must review the submitted plans for compliance with applicable laws. If an audit reveals material noncompliance, the local building department or local permitting department must provide a plan check correction notice within 10 business days of the audit's initiation.

8) Allows a city or county to adopt:

   a) By ordinance, additional qualifications or requirements for a qualified professional certifier, including, but not limited to, any of the following:

      i) A requirement to register with the city or county prior to certifying plans under the program;

      ii) Training requirements that must be completed prior to certifying plans under the program;

      iii) Payment of fees not to exceed the reasonable cost of implementing the program; and

      iv) Penalties that may include decertification as a qualified professional certifier in that jurisdiction or reasonable administrative fines for either willful noncompliance or two or more instances in which the qualified professional certifier attested to certifying noncompliant plans.

   b) Requirements that do either of the following, provided that the requirements do not prohibit or effectively prohibit the use of a qualified professional certifier:

      i) Limit the size of an eligible structure to no less than 10,000 square feet; and

      ii) Specify the types of businesses or occupancies that are eligible.

9) Provides that a qualified professional certifier is liable for any damages arising from negligent plan review, requires that the applicant indemnify the local agency from any injury arising from construction, and provides that a public entity or public employee is not liable for an injury caused by their actions

related to a permit issued under the program. It also establishes making a false statement in a certification as grounds for disciplinary action by specified state licensing bodies against a qualified professional certifier.

10) Provides that the bill does not authorize the displacement of public employees.

11) Requires the use of a qualified professional certifier shall be strictly temporary in nature, and prohibits local agencies from reducing, eliminating, or failing to fill budgeted civil service positions within the building department as a result of the use of a qualified professional certifier.

12) Includes findings and declarations to support its purposes.

Background

Administrative permit approvals. A builder may need a range of administrative permits from the local agency in order to actually 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.

City and county building departments enforce the provisions of State Housing Law, the California Building Standards Code, and local zoning codes that specify the allowable forms and uses of buildings within a city or county's jurisdiction. Within building departments, the positions responsible for evaluating building permits for compliance include building officials, inspectors, plan checkers, and civil engineers. State law also allows local agencies to hire private entities on a temporary basis to perform plan checking services. Some agencies contract out a portion of their workload during especially busy times, or certain portions of the building permit review process, such as reviewing compliance with energy efficiency requirements. Other local agencies contract out nearly all plan checking functions to a private firm.

Retailers. According to some estimates, California is home to over 500,000 retailers across approximately 1.1 billion square feet of space. In general, a retailer is any person or business that sells tangible personal property in the course of business for purposes other than resale. Retailer is a very broad category encompassing many types of businesses, such as general retail, food, beverage, and dining, vehicle and fuel-related businesses, specialized or regulated goods retailers, and service-based retailers.

Tenant improvements. While specific definitions vary across local governments, tenant improvements generally include commercial additions, or remodels of the interior of an existing building or structure. This can range from minor changes to interiors to complete changes in use from one type of business to another. Tenant improvements generally require building permits and often other health and safety reviews to ensure that the spaces that the public occupies are safe. Tenant improvements can revitalize commercial areas by allowing new businesses in, help existing local businesses stabilize and grow their physical footprint, or modernizing to make spaces more attractive.

Retailers report that plan reviews for tenant improvements can take months. Data provided by the California Retailers Association shows that one member sees significant variation in permit approval times for tenant improvements, ranging from as long as seven months to as short as one week. On average, a permit for this retailer took on average eight weeks to be approved in 2025. The California Retailers Association wants the Legislature to require local governments to allow self-certification of tenant improvements for retailers.

Comments

Purpose of the bill. According to the author, "Brick-and-mortar retailers are essential to vibrant neighborhoods and local economic recovery, but too often businesses—especially small and family-owned ones—face months-long permitting delays just to make interior improvements to existing buildings. Those delays hurt workers, communities, and commercial corridors still recovering from the pandemic, recent fires, and prolonged vacancies. AB 1693 offers a commonsense solution. For interior improvement projects, it allows licensed architects or engineers to certify that plans meet all building and safety codes, while requiring local governments to act on complete applications within clear, predictable timelines—with full oversight intact. At a time when retailers are competing with online shopping and navigating real economic challenges, we owe them a permitting process that is fair, efficient, and predictable."

Help me help you. Cities and counties compete to attract land uses that generate local revenues and shun land uses that need expensive public services. This "fiscalization of land use" has been documented since at least the mid-1980s. According to a 2025 paper, "Studies on the fiscalization of land use have highlighted the desirability of retail uses— particularly shopping centers, car dealerships, and big-box retail—because, in addition to generating property tax revenue, retail generates sales and payroll taxes and has lower service demands compared to residential development." As a result, cities and counties may deprioritize approval of housing and favor commercial development. AB 1693 proposes to accelerate tenant improvements by truncating local review of permits by deeming a permit approved if the local agency doesn't move quickly enough. This approach implies that absent a disincentive, local governments may let tenant improvement permits languish. However, it is unclear whether willful obstinance on the part of local governments leads to delay for these projects, given their fiscal incentives. Instead, local building departments are often underfunded and short-staffed. An alternative approach to assist local agencies in expediting permitting for tenant improvements would be to enhance local government revenues to ensure that they can retain enough competent staff.

Too soon? Cities and counties have only been required to allow self-certification of restaurant tenant improvements under AB 671 since January 1, 2026. AB 1693 applies essentially identical requirements and procedures to tenant improvements for a wide variety of businesses after just over six months. Without a longer track record of restaurant tenant improvements under AB 671, the Legislature may not have sufficient information to evaluate whether the program is working and what pitfalls may emerge. Is AB 1693 premature?

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

SUPPORT: (Verified 8/4/26)

California Retailers Association (source)
California Chamber of Commerce
California Downtown Association
Construction Employers' Association
Greater Conejo Valley Chamber of Commerce
South Pasadena Residents for Responsible Growth
United Chamber Advocacy Network Ucan
Westside Council of Chambers of Commerce (WC3)

OPPOSITION: (Verified 8/4/26)

California Building Officials
City of Camarillo

ASSEMBLY FLOOR: 77-0, 5/14/26
AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney,

Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, 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: Alvarez, Arambula, Celeste Rodriguez

Prepared by: Anton Favorini-Csorba / L. GOV. / (916) 651-4119
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