

Date of Hearing: April 29, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1710 (Carrillo) – As Introduced February 4, 2026

Policy Committee:	Housing and Community Development	Vote:	12 - 0
	Local Government		10 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill extends to state and regional agencies the vesting protections and “reasonable person” standard that apply to local agencies under Housing Accountability Act (HAA).

Specifically, this bill:

- 1) Adds the following to the list of “ordinances, policies, and standards” that are “vested” through the HAA once a developer submits a complete application within 180 days of a preliminary application:
 - a) Materials requirements associated with subdivisions.
 - b) Postentitlement permit standards, except building code standards.
 - c) Any rules, regulations, determinations, and other requirements adopted or implemented by other public agencies, such as state and regional governments.
- 2) Applies the reasonable person standard to reviews of housing development projects and emergency shelters under the HAA to all public agencies, defined to include the state, local agencies, regional agencies, and special districts, among others, rather than to only local agencies, by deeming such projects consistent with applicable plans or requirements if substantial evidence exists that would allow a reasonable person to reach that conclusion.
- 3) Excludes housing development projects containing a hotel, motel, bed and breakfast inn, or other transient lodging from the provisions in 2, above, consistent with existing law governing local agency review.

FISCAL EFFECT:

- 1) HCD estimates minor and absorbable costs for increased technical assistance to local agencies.
- 2) Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the courts to adjudicate any additional filings by developers to compel public agencies to approve applications under a reasonable person standard. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case. It generally costs approximately \$1,000 to operate a courtroom for one hour. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust

Fund may create a demand for increased funding for courts from the General Fund. The state budget provides annual General Fund backfills to the Trial Court Trust Fund to offset revenue reductions. This backfill was \$117.3 million in 2025-26.

- 3) Unknown, potentially significant costs (General Fund, various special funds) in the aggregate, for state entities' legal costs, to the extent the bill results in additional litigation by developers to compel public agency approval of permit applications under a reasonable person standard. State entities subject to the bill include the California Coastal Commission, the San Francisco Bay Conservation and Development Commission, and the State Water Board, among others.
- 4) Local costs resulting from this bill are not state-reimbursable because local agencies have general authority to charge and adjust planning and permitting fees to offset any increased local costs associated with the bill.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:

- 1) **Purpose.** According to the author:

California's housing crisis has left too many without a home, struggling to afford rent, and unable to achieve homeownership. Yet, delays, regulatory barriers, and inconsistent permitting rules are making it harder and more expensive to build the housing we desperately need. [This bill] strengthens SB 330's (2019) vesting protections to ensure housing projects aren't subject to regulatory changes at the state and regional agency level after a preliminary application is submitted—except in cases concerning health, safety, or environmental mitigation.

- 2) **Background. *Vested Rights.*** The Housing Crisis Act of 2019, established by SB 330, (Skinner), Chapter 654, Statutes of 2019, as part of the HAA, amended the established process through which developers seeking to build housing could “vest” their projects. Specifically, a project applicant who files a preliminary application to build housing has 180 days to file a complete application. If the developer meets the deadline, the housing development gains vested rights to proceed under the rules in effect when the preliminary application was submitted. These rights include the vesting of objective standards such as general plans, zoning ordinances, design review standards, subdivision standards, and any other rules, regulations, requirements, and policies of a local agency, including development impact fees, permit fees, and others. There are exceptions for cases of health and safety concerns or to mitigate significant California Environmental Quality Act impacts. Vesting rights under SB 330 apply to only project reviews by local agencies; reviews by state and regional agencies remain subject to any ongoing regulatory changes.

This bill extends SB 330's vesting protections to include projects reviewed by state and regional agencies.

Reasonable Person Standard. Under the HAA, regulatory agencies review housing projects for consistency with governmental agencies' adopted plans, such as general plans and zoning codes. Previously, courts fully deferred to regulatory agencies in determining project consistency, allowing agencies to block or extract significant concessions from projects by declaring them inconsistent with adopted plans, even if it would have been reasonable for the agency to have found the project consistent.

In 2017, AB 1515 (Daly), Chapter 368, Statutes of 2017, amended the HAA to apply a "reasonable person" standard to local agencies. The reasonable person standard prohibits a local agency from denying or conditioning a housing project based on subjective interpretations of local regulations. If substantial evidence exists such that a reasonable person could determine a project is consistent with applicable plans or zoning, it must be deemed consistent as a matter of law, regardless of the agency's decision. If a local agency reaches a different conclusion than a reasonable person would, based on the evidence, its decision may be overturned in court. Courts are not required to defer to the agency's interpretation and may mandate project approval if the evidence supports consistency.

This bill expands the application of the reasonable person standard under the HAA to state and regional agencies that review housing development projects.

- 3) **Support and Opposition.** This bill is sponsored by the California Building Industry Association and is supported by numerous home builder and affordable housing groups. They assert, while SB 330 is helpful with regulatory certainty during the approval process at the local level, housing projects remain vulnerable to changes in state and regional agency regulations, which this bill addresses.

This bill is opposed by the California Special Districts Association (CSDA), the Association of California Water Agencies (ACWA), California Association of Sanitation Agencies (CASA), and California Municipal Utilities Association (CMUA). They assert the vesting provision will put state and local agencies in conflict with any new laws, regulations, rules or requirements from local, regional, state or federal entities that local agencies must comply with to meet the standards and goals of the federal government, the state or its political subdivisions.

- 4) **Related Legislation.** AB 1276 (Carrillo), of this legislative session, was substantially similar to this bill. AB 1276 was held on the Senate Appropriations Committee's suspense file.

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