

ASSEMBLY THIRD READING
AB 1710 (Carrillo and Wicks)
As Introduced February 4, 2026
Majority vote

SUMMARY

Extends the "vesting" rights that apply to local agency reviews of housing development projects under the Housing Crisis Act (HCA) to also apply to the rules, regulations, and requirements imposed by other public agencies. Applies a "reasonable person" standard, as specified, to public agency determinations of whether a housing development project is consistent, compliant, and in conformity with applicable standards for purposes of the Permit Streamlining Act.

Major Provisions

- 1) Adds the following to the list of objective standards that can be vested under the HCA, so long as a developer submits a complete application within 180 days of a preliminary application:
 - a) Materials requirements;
 - b) Postentitlement permit standards, with the exception building code standards; and
 - c) Any rules, regulations, determinations, and other requirements adopted or implemented by other public agencies, as specified.
- 2) Extends the "reasonable person" standard that applies to the local agency reviews of housing development projects and emergency shelters under the HCA to public agencies, as defined.
- 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.

COMMENTS

The Housing Approvals Process – Standards Vesting: The process of gaining approval to build new housing in California can be lengthy, unpredictable, and expensive. Under the California Constitution, cities and counties have broad authority, known as the police power, to regulate land use in the interest of public health, safety, and welfare. Local governments enforce this authority through an entitlement process, which includes both discretionary and ministerial approvals. Gaining "entitlement" is essentially a local government's confirmation that a housing project complies with all applicable local zoning regulations and design standards. Once a project receives entitlement, or approval, from the local planning department, it must obtain postentitlement permits. These include building, demolition, and grading permits issued by the local agency – typically the local building department. Postentitlement permits are related to the physical construction of the development proposal before construction can begin. While local governments are primarily responsible for approving housing developments within their jurisdiction, various state and regional departments may also play a role, depending on the project scope and location.

The Department of Housing and Community Development (HCD) identifies lengthy permit processing timelines and procedures as a governmental constraint to housing development. In HCD's San Francisco Housing Policy and Practice Review, the department found that procedural complexities associated with housing entitlement and permitting are "not only a barrier to entry to new development professionals pursuing [housing] projects," but they may also cause developers to exit housing markets with complex permitting ecosystems and pursue developments in neighboring jurisdictions with less complex procedural requirements instead.¹

To address this, the Legislature has enacted various laws to streamline, expedite, and standardize approvals, particularly for projects meeting objective standards. One such law is SB 330 (Skinner), Chapter 654, Statutes of 2019, or the HCA, which established a process through which developers seeking to build housing could "vest" their projects. Under existing law, an applicant files a preliminary application to build housing, with specified project information, and then has 180 days, or approximately six months, to file a "complete application." If the developer files a complete application in time, the housing development gains vested rights to proceed under the rules that were in effect when the preliminary application was submitted. These rights include the vesting of objective standards such as general plans, community plans, specific plans, zoning ordinances, design review standards, subdivision standards, and any other rules, regulations, requirements, and policies of a local agency. There are some exceptions that allow new regulations to be applied in cases of health and safety concerns or to mitigate significant CEQA environmental impacts. However, the HCA only applies to local agencies.

This bill would expand the list of objective standards that can be "vested" under SB 330, to include the following:

- 1) Postentitlement permit standards, excluding building code standards;
- 2) Materials requirements associated with subdivisions; and
- 3) Any rules, regulations, determinations, and other requirements adopted or implemented by other public agencies, such as state and regional governments.

This may provide increased certainty to homebuilders, ensuring that the project goalposts don't move for housing projects that receive vesting under the HCA. Under this bill, housing projects would be protected from changes to, for example, municipal storm water requirements controlled by Regional Water Quality Boards, local grading ordinances, State Water Quality Control Board/Department of Toxic Substances Control Vapor Intrusion Thresholds, and Metropolitan Planning Organization Sustainable Community Strategies. Any newly implemented standards would still apply to housing projects that file preliminary applications after their implementation but would not apply to projects that are vested before the standards change. This bill excludes building code standards from its vesting provisions, meaning that the building standards in place at the time when an applicant applies for a building permit would apply to the proposed development, not the standards in effect when the preliminary application was filed.

AB 1515 - Reasonable Person Standard: Under the Housing Accountability Act (HAA), housing projects are analyzed for consistency with governmental agencies' adopted plans (e.g., general

¹ HCD San Francisco Policy & Practice Review, Page 13. Published October 2023. Accessed from: <https://www.hcd.ca.gov/policy-and-research/plans-and-reports>

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, the HAA was amended by AB 1515 (Daly), Chapter 368, Statutes of 2017, to apply a "reasonable person" standard to local agencies. The reasonable person standard in the HAA prohibits local agencies 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. If a local agency reaches a different conclusion than a reasonable person would, based on the evidence, its decision is legally vulnerable and may be overturned in court. Courts are not required to defer to the agency's interpretation but can mandate project approval if the evidence supports consistency. These standards are meant to prevent agencies from using broad discretion to block or significantly alter housing development projects, ensuring that housing approvals are based on objective, fact-based criteria.

This bill would apply that same "reasonable person" standard to "public agencies," meaning any state agency, any county, city and county, city, regional agency, public district, redevelopment agency, or other political subdivision. For housing development proposals, this would effectively apply the same standard that local governments are already subject to, to state and regional governments.

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. Right now, it not only slows development but also discourages new housing altogether, pushing investment to states with a more predictable process."

"AB 1710 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. By reducing uncertainty and reinforcing clear, predictable standards, AB 1710 will help create a more predictable path for housing development that lowers costs, speeds up construction, expands affordable housing and homeownership, and supports sustainable, community-focused growth."

Arguments in Support

The California Building Industry Association (CBIA), the bill sponsor, writes in support: "California continues to face a significant housing shortage, driven in large part by unpredictable and lengthy approval processes. While SB 330 was instrumental in securing regulatory certainty at the local level, housing projects remain vulnerable to changes in state and regional agency regulations, which can cause costly delays or even render projects infeasible. AB 1710 directly addresses these challenges by extending SB 330's vesting protections to include state and regional agencies, ensuring that housing projects are not subject to shifting regulatory requirements after a preliminary application has been submitted."

"Additionally, AB 1710 expands the application of the "reasonable person" standard under the Housing Accountability Act (HAA) to state and regional agencies. This important provision

ensures that if substantial evidence exists to support a finding of project consistency with an applicable regulatory plan, the project is deemed consistent as a matter of law. By applying this objective standard beyond local agencies, AB 1710 further reduces arbitrary decision-making that could otherwise hinder housing production."

Arguments in Opposition

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) write in opposition: "AB 1710 expands the list of objective ordinances, policies, and standards that can be vested at the time of application for housing development through SB 330 (Skinner, 2019). Additionally, it applies a "reasonable person" standard to state and local agencies involved in housing development reviews across the Permit Streamlining Act. We recognize that amendments from last year's AB 1276 and carried over to this measure have narrowed the reasonable person provision from capturing a much broader set of statutes, but we find it still lacks specificity of which problem in which statute is to be solved."

"Specifically, this measure adds post-entitlement permit standards; certain materials requirements, and any rules, regulations, determinations, and other requirements adopted or implemented by other public agencies, including both state and local agencies, to the list of items that are vested at the point of application for certain developments."

"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 for a myriad of issues that inform the policies of the regulated agency in order to meet the standards and goals of the federal government, the state or its political subdivisions."

FISCAL COMMENTS

According to the Assembly Committee on Appropriations:

- 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.

VOTES

ASM HOUSING AND COMMUNITY DEVELOPMENT: 12-0-0

YES: Haney, Patterson, Ávila Farías, Caloza, Garcia, Kalra, Lee, Quirk-Silva, Ta, Tangipa, Wicks, Wilson

ASM LOCAL GOVERNMENT: 10-0-0

YES: Carrillo, Ta, Johnson, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

UPDATED

VERSION: February 4, 2026

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