

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 2044 (Petrie-Norris) – As Introduced February 17, 2026

**SUBJECT:** Building standards: approval or adoption: cost of compliance estimate

**SUMMARY:** Requires that the California Building Standards Commission (CBSC) deny a proposed building standard if it finds that the initial statement of reason (ISOR) is submitted without a completed statement of estimated cost compliance, including the related assumptions used to determine the estimate.

**EXISTING LAW:**

- 1) Establishes the CBSC within the Government Operations Agency and requires CBSC to receive proposed building standards from state agencies for consideration in on a 3-year code adoption cycle, with procedures that ensure adequate public participation, notice and justification, technical review, and opportunities for advisory input before adoption by CBSC. (Health and Safety Code (HSC) Section 18920 and 18921.1)
- 2) Requires any building standard adopted or proposed by state agencies to be submitted to, and approved or adopted by, the CBSC prior to codification. Requires building standards submitted for approval to include an analysis written by the agency proposing the standards, which justifies the approval using the following criteria:
  - a) The proposed building standard does not conflict with, overlap with, or duplicate other building standards;
  - b) The proposed standard is within the parameters established by enabling legislation and is not expressly within the exclusive jurisdiction of another agency;
  - c) The public interest requires the adoption of the building standard, which includes, but is not limited to, health and safety, resource efficiency, fire safety, seismic safety, building and building system performance, and consistency with environmental, public health, and accessibility statutes and regulations;
  - d) The proposed standard is not unreasonable, arbitrary, unfair, or capricious;
  - e) The cost to the public is reasonable, based on the overall benefit to be derived;
  - f) The proposed standard is not unnecessarily ambiguous or vague;
  - g) The applicable national specifications, published standards, and model codes have been incorporated where appropriate;
  - h) The format of the proposed standard is consistent with that adopted by the CBSC; and
  - i) The proposed standard, if it promotes fire and panic safety, as determined by the SFM, has the written approval of the SFM. (HSC 18930(a))

- 3) Requires every agency subject to the Administrative Procedure Act (APA) to prepare and submit an initial statement of reasons for proposing the adoption, amendment, or repeal of a regulation, which must include certain information, including, for building standards, the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates. (Government Code (GOV) Section 11346.2)
- 4) Requires agencies promulgating regulations to analyze the potential impact of a proposed regulation on businesses or job creation in the state and potential financial impacts on state agencies. (GOV 11346.2)
- 5) Requires state agencies adopting building standards that impact housing to include estimated benefits and costs of compliance, as well as underlying assumptions, in an ISOR. (GOV 11346.2)

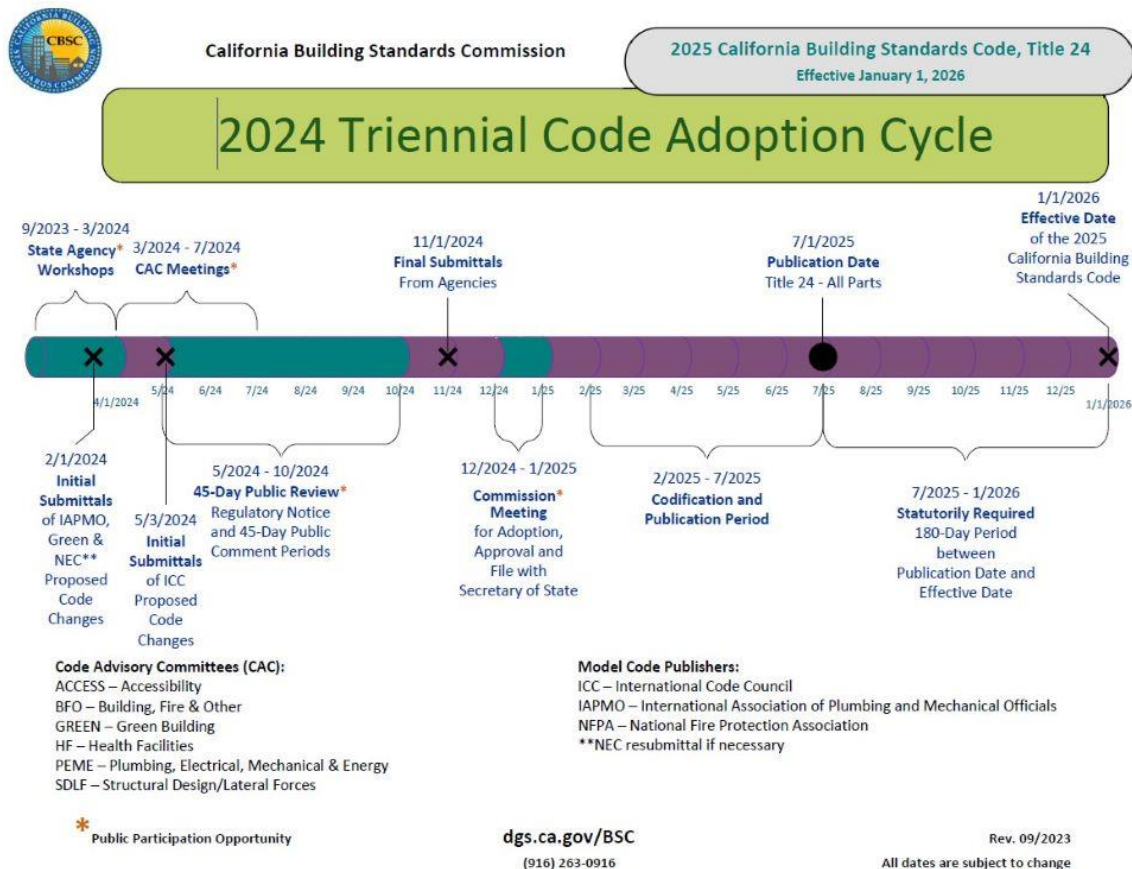
**FISCAL EFFECT:** Unknown.

**COMMENTS:**

***Author's Statement:*** According to the author, "Existing law requires state agencies to publish any cost estimates that come about from a proposed change to the building code. Unfortunately, many agencies provide inadequate information, denying the public the opportunity to determine if the benefits outweigh the costs. This bill is a straightforward transparency measure to ensure that agencies provide an honest accounting of the costs associated with a proposed building standard change."

***Background on Building Standards:*** The California Building Standards Law establishes the process for adopting state building standards by the CBSC. Statewide building standards are intended to provide uniformity in building across the state. The Commission's duties include the following: receiving proposed building standards from state agencies for consideration in each triennial and intervening building code adoption cycle; reviewing and approving building standards submitted by state agencies; adopting building standards for state buildings where no other state agency is authorized by law; and publishing the approved building standards in the California Building Standards Code (California Code of Regulations, Title 24).

Most building standards currently in use in California are developed and vetted at the national level every three years by technical organizations, academics, and trade associations that develop national consensus standards, which are then incorporated into the International Building Code (IBC), the national model code used by most US jurisdictions. At the state level, state agencies with authority over specified occupancies then review the IBC and amend it as necessary for California’s specific needs. There are approximately 20 state agencies that develop building standards and propose them for adoption to the CBSC.



**Who Creates Residential Building Standards:** Two types of state agencies are involved with creating building standards: proposing and adopting agencies. State proposing agencies submit proposed building standards to CBSC for adoption. CBSC administers its rulemaking process by conducting public comment periods, hearings, and meetings, and adopting the building standards at a public meeting. HCD, the State Fire Marshall and the Division of State Architect are the most common proposing agencies. State adopting agencies have authority in state law to administer the rulemaking process, conduct their own hearings and public comment periods, and adopt building standards at a public meeting. The agency must submit adopted building standards to CBSC for approval of the adoption process and publication in Title 24. CBSC’s role is to verify compliance with state laws governing the rulemaking process. The California Energy Commission, State Historical Building Safety Board, and State Lands Commission are adopting agencies.

Some of the most impactful mandates in recent years have also come from outside stakeholders or the adopting agencies themselves (rather than the Legislature), like solar panel mandates and

fire sprinkler requirements. There are a number of legitimate and important concerns that are addressed by these and many other elements of building standards for housing. However, the framework for proposing and adopting new standards leaves agencies in silos with regard to the volume or costs of new proposals that counterpart agencies are also simultaneously developing. Cost analyses are performed on each individual modification or for each respective chapter, not on the accumulation of the entirety of changes in each intervening or triennial cycle across all agencies. Holistic review is therefore difficult, and while individual standards may increase costs by what appears a reasonable amount, from a different lens, the cost of the totality of all cumulative changes may be less reasonable.

***Building Standards Qualify as Regulations:*** Because building standards qualify as regulations, their adoption is subject to the APA, which establishes the general process for the adoption of regulations. As part of the APA, an entity proposing new or amended regulations must prepare and submit to the Office of Administrative Law (OAL) a notice of the proposed action and an ISOR for proposing the change in regulation. Among other things, the ISOR must include a statement of the specific purpose for each change, the problem the agency intends to address, and the rationale for why the change is reasonably necessary to carry out the purpose and address the problem for which it is proposed. The ISOR must also enumerate the benefits anticipated from the regulatory action, both monetary and non-monetary, and include evidence to support an initial determination that the change may have or will not have a significant, statewide adverse impact directly affecting business. The notice of proposed action that accompanies the ISOR must include, among other things, a statement of whether or not the changes would have a significant effect on housing costs and, separately, a description of all cost impacts known to the agency that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If the agency is unaware of cost impacts on private persons or businesses, it may state that instead.

AB 1612 (Lara), Chapter 471, Statutes of 2012, required the ISOR for any amendment to a model building code that impacts housing to include the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates. For changes in the model codes themselves, AB 1612 required the ISOR to include the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates for that specific change only if an interested party has made a request to the agency to examine that specific section. State agencies developing building standards that relate to housing must publicly substantiate how the cost of the new standards is determined.

Although existing law requires an agency to include the assumptions behind the cost analysis of a proposed standard, the analysis can be incomplete or not comprehensive. To give the analysis more weight, this bill will require CBSC to deny a proposed building standard if it finds that the ISOR is submitted without a completed statement of estimated cost compliance, including the related assumptions used to determine the estimate.

***Arguments in Support:*** According to the California Building Industry Association (CBIA), the bill sponsor, “AB 2044 enhances transparency and predictability in the building standards process by ensuring that cost estimates and the underlying assumptions accompany proposed standards before adoption. Clear cost information allows policymakers, builders, and communities to anticipate the economic effects of new requirements and avoid unintended increases in housing costs that further squeeze affordability. By promoting predictability in cost

impacts, AB 2044 supports the timely delivery of housing and helps keep homes within reach for working families across the state.”

*Arguments in Opposition: None* on file.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California Business Properties Association (Sponsor)  
Bay Area Council  
Building Owners and Managers Association of California  
California Apartment Association  
California Association of Sheet Metal & Air Conditioning Contractors National Association  
California Building Industry Association  
California Chamber of Commerce  
California Construction and Industrial Materials Association  
California Council for Affordable Housing  
California Housing Consortium  
California Legislative Conference of Plumbing, Heating & Piping Industry  
California Manufacturers and Technology Association  
Construction Employers Association  
Construction Employers' Association  
Finishing Contractors Association of Southern California  
NAIOP California  
National Electrical Contractors Association  
Northern California Allied Trades  
Southern California Glass Management Association  
Spray Foam Coalition  
United Contractors  
Wall and Ceiling Alliance  
Western Line Constructors Chapter  
Western Painting and Coating Contractors Association  
Western Wall and Ceiling Contractors Association

**Opposition**

None on file

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