

Date of Hearing: May 13, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2089 (Ward) – As Amended April 22, 2026

Policy Committee:	Housing and Community Development	Vote:	12 - 0
	Revenue and Taxation		7 - 0

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

SUMMARY:

This bill authorizes a county assessor to accept electronic signatures on materials necessary to claim the property tax welfare exemption and requires the county to timely release related forms.

Specifically, this bill:

- 1) Authorizes a county assessor to accept electronic signatures for materials necessary to claim, maintain, or otherwise receive the welfare exemption and requires the county board of supervisors to adopt an ordinance or resolution if necessary for implementation.
- 2) Requires a county to release all forms related to the annual recertification of tenant income necessary to receive the welfare exemption by November 15 of each calendar year prior to the due date for such forms, and requires a county be held harmless from liability resulting from a failure to timely release such forms if that failure is caused by a delay by the State Board of Equalization (BOE) or other state entity publishing relevant forms.

FISCAL EFFECT:

- 1) Likely absorbable costs across 58 county assessors to release income recertification forms by November 15. If the Commission on State Mandates determines the provisions of this bill create a new program or impose a higher level of service for which the state must reimburse local costs, counties could claim reimbursement from the state.
- 2) Likely absorbable cost pressures to the BOE to timely release forms so county assessors can meet the deadline established by this bill.

COMMENTS:

- 1) **Purpose.** According to the author, extending the filing period for recertification of the welfare property tax exemption and authorizing county assessors to accept electronic signatures for documents relating to the exemption “would streamline the time-intensive recertification process for eligible affordable housing providers, supporting housing affordability and financial stability for low-income Californians.” This bill is supported by various housing providers and affordable housing groups.
- 2) **Welfare Exemption for Affordable Housing Projects.** The California Constitution authorizes the Legislature to exempt from taxation property used exclusively for religious, hospital, or charitable purposes. This “welfare exemption” extends to rental units for lower-

income households, as the unit is rented at a restricted amount based on the tenant's income, thus constituting a "charitable activity" to ensure the tenant is not overly burdened by the cost of rent. The benefit is equal to the percentage of the value of the property that is representative of the percentage of units serving lower-income households.

An organization eligible for the welfare exemption under such criteria must file a claim on an annual basis and certify that the income of tenants in qualifying units do not exceed certain thresholds. This bill requires a county assessor to release all forms related to this annual recertification by November 15 of each calendar year prior to the due date for the forms. This bill also authorizes a county assessor to accept electronic signatures on materials necessary to claim the property tax welfare exemption generally.

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