SENATE COMMITTEE ON HOUSING Senator Aisha Wahab, Chair 2025 - 2026 Regular

Bill No:	AB 253		Hearing Date:	7/15/2025
Author:	Ward			
Version:	7/3/2025	Amended		
Urgency:	Yes		Fiscal:	Yes
Consultant:	Hank Brac	ły		

SUBJECT: California Residential Private Permitting Review Act: residential building permits

DIGEST: This bill enacts the California Residential Private Permitting Review Act (Act), which allows an applicant for small residential building permits to contract with or employ a private professional provider to check plans and specifications if specified time periods elapse.

ANALYSIS:

Existing law:

- 1) Allows 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, including land use authority.
- 2) Establishes the California Building Standards Commission (CBSC) within the Department of General Services (DGS), which requires CBSC to approve and adopt building standards and codify those standards in the California Building Standards Code.
- 3) Establishes the Permit Streamlining Act (PSA), which, among other things, establishes time limits within which state and local government agencies must either approve or disapprove permits to entitle a development.
- 4) Establishes standards and requirements for local agencies to review nondiscretionary post-entitlement phase permits, including time limits within which local agencies must either approve or disapprove these permits.

- 5) Allows the governing body of a local agency to authorize its enforcement agency to contract with or employ a private entity or persons on a temporary basis to perform plan-checking functions, as specified.
- 6) Requires a local agency to contract with or employ a private entity or persons on a temporary basis to perform plan-checking functions upon the request of an applicant for specified structures where there is an "excessive delay" in checking the plans and specifications that are submitted as a part of the application.
- 7) Generally defines, for a residential building permit, "excessive delay" to mean the building department or building division of a local agency has taken more than 30 days after submitting a complete application to complete the structural building safety plan check of the applicant's set of plans and specifications that are suitable for checking. "Residential building" means a one-to-four family detached structure not exceeding three stories in height.
- 8) Generally defines, for a nonresidential permit for a building other than a hotel or motel that is three stories or less, "excessive delay" to mean the building department or building division of the local agency has taken more than 50 days after submitting a complete application to complete the structural building safety plan check of the applicant's set of plans and specifications that are suitable for checking.

This bill:

- 1) Applies to housing development projects (qualified projects) that are either new construction or residential additions to, or remodels of, an existing building containing between one and 10 residential units and having no floors used for human occupancy more than 40 feet above ground level.
- 2) Requires a local building department, upon receipt of a completed application for a building permit for a qualified project, to provide the applicant with an estimated timeframe for the department to review the building permit application.
- 3) Allows an applicant to hire a private professional reviewer (private reviewer) to perform plan-checking services, as specified, if the local agency estimates that it will not complete plan checking within 30 days, or if the local agency fails to complete its plan checking within 30 days.
- 4) Requires all of the following if a private reviewer conducts the plan-checking functions:

- a) The private reviewer must prepare an affidavit under penalty of perjury stating the provider performed the plan-checking services and whether the plans and specifications comply with all relevant state and local postentitlement requirements.
- b) An applicant must submit to the local building department a report of the plan-checking services and requires the local building department, within 10-business days of receiving the report, to consider the report and either issue the building permit or notify the applicant, in writing, that the plans and specifications do not comply with all relevant state and local building requirements, as specified.
- c) If the local building department fails to comply with the 10-day time limit, and the affidavit prepared by the private reviewer states that the plans comply with applicable requirements, then the building permit is deemed compliant with all requirements, and the permit is deemed approved.
- 5) Allows, if a local building department notifies an applicant there are deficiencies with the plans and specifications, the applicant to either resubmit corrected plans and specifications to the building department or employ a private reviewer to check the corrected plans and specifications, subject to the timelines provided by this bill.
- 6) Requires an applicant to indemnify the local agency from any property damage or personal injury arising from construction permitted under the provisions of this bill.
- 7) Specifies that a public entity or public employee is not liable of injury caused by their discretionary or ministerial acts or omissions relating to the issuance or denial of a building permits issued under the provisions of this bill.
- 8) Provides that nothing in this bill prohibits a local agency from providing a selfcertification program that does not conflict with the requirements of this bill.
- 9) Requires the building department of a city or county that prescribes fees for a residential building permit to prepare a schedule of fees for a residential building permit and post the schedule on the local government's internet website.
- 10) Deletes provisions in existing law that require local agencies, upon request of an applicant, to employ a private entity on a temporary basis to perform plan checking functions when there are local agency takes more than 30 days to review a complete application for a building permit, as specified.

11) Requires a private reviewer be a licensed engineer or architect that does not have a financial interest in the residential building permit or preparing the plans and specifications.

Background

State Housing Law governing excessive delays. State Housing Law 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 as part of a building permit application for a residential building of up to four units. An excessive delay means 30 days after submittal of a completed application, or 45 days for an application that required a resubmittal, including the days elapsed in the initial review. Similar provisions apply to building permits for non-residential buildings of up to three stories, but local agencies have 50 days for initial review and a total of 60 days if there was a resubmittal of the application. Local agencies that are required to contract out under State Housing Law can charge an applicant fees in an amount necessary to defray costs directly attributable to hiring someone to perform plan checking services.

AB 2234 (R. Rivas) Post-entitlement permitting. In 2022, the Legislature enacted a framework establishing timelines and procedures for approving all local "postentitlement permits," including building permits, needed to construct housing that had already received approval from a planning department (AB 2234, R. Rivas, Chapter 651, Statutes of 2022). AB 2234 requires cities and counties to process non-discretionary permits in an expedited manner. First, the city or county must determine whether an application is complete, and notify the applicant, within 15 business days after receiving the application. If the local agency determines an application is incomplete, the local agency must provide the applicant with a list of incomplete items and a description of how the application can be made complete, but the local agency cannot request new information that was not on the original list of needed information. After receiving a notice the application was incomplete, an applicant may cure and address those items. Upon receipt of a corrected application, the local agency must notify the applicant within 15 business days whether the additional application has remedied all incomplete items. If a local agency does not meet the timelines required for determining whether an application is complete, and the application or resubmitted application states it is for a post-entitlement phase permit, AB 2234 deems the application or resubmitted application complete.

Cities and counties must then complete review of the application within 30 business days for projects with 25 units or less, and 60 business days for projects 26 units or more, unless the city or county finds that the permit might have a specific, adverse impact on public health or safety, within the applicable time limit. If the city or county requires review of the application by an outside entity, the time limits are tolled until the outside entity completes the review.

If a city or county finds a complete application is noncompliant, it must provide the applicant with a list of items that are noncompliant and a description of how the application can be remedied by the applicant within the applicable time limit and must allow the applicant to correct the application.

Cities and counties must also establish an appeals process. If an applicant appeals, the local agency must make a final determination on the appeal within:

- a) 60 business days of the appeal for a project of 25 units or fewer; or
- b) 90 business days of the appeal for a project of 26 units or more.

Comments

- 1) *Author's statement.* "AB 253 aims to streamline the housing production process by addressing delays in the postentitlement plan check phase. This bill would allow homeowners and developers of residential projects up to ten units to hire a licensed third-party professional to review building plans for compliance with state laws and local ordinances if the local building department fails to complete its review within 30 days. Currently, post-entitlement permits—required before construction can begin—can take up to nine months for approval, creating a significant bottleneck that hinders housing production and impacts affordability. By providing an alternative review option, AB 253 eases the burden on overextended local building departments and accelerates project timelines, helping to increase housing supply and improve affordability."
- 2) *Paying for planning*. Local planning and building departments are underfunded and short-staffed, leading to delays in permitting. Local staff also struggle to keep pace with the increased workload associated with building code requirements that continually increase in complexity through triennial building code updates, along with changing state mandates to act quickly on a variety of permits. One reason for this underfunding is that some city councils or boards of supervisors are reluctant to approve fee increases because they fear complaints from homebuilders or residents over the cost of permits. Many prohousing groups also lament the cost of fees in California. This bill provides an

alternative to public review of small residential building permits, but doesn't address the challenges that building departments face in funding their work. Instead, AB 253 directs business to private firms or idnividuals, which may reduce the ability of local governments to hire qualified building officials and funnel expertise out of local governments and into private entities. A more direct solution however may be to adequately fund building departments to perform their duties, rather than allowing a parallel private system that may further erode their capacity.

- 3) *Triggering private review*. Existing law requires local agencies to hire a private entity to conduct plan checking upon request of an applicant when the local agency exceeds 30-days to conduct its plan-checking review. However, the existing law provides that a local agency is not required to comply with the contracting out requirement if it finds that no entities or persons are available or qualified to perform the service. AB 253 allows applicants to directly contract with a private reviewer, rather than requesting the city to hire a private reviewer. Local agencies will retain the ability to review plans that have been plan-checked by a private reviewer, but they will be required to review these already plan-checked documents within 10 business days.
- 4) Striking a balance. This bill may increase the use of plan-checking by private reviewers by empowering applicants to hire private reviewers directly when a local agency exceeds existing permitting review timelines. While this could expedite housing development by providing applicants a tool to reduce their preconstruction timeframe, it also introduces some risk. Applicants seeking to fast-track their housing project may fall prey to hiring a private reviewer with flashy advertising and exciting promises, but a poor performance history. Existing law avoids this scenario by placing the contracting duty on the local agency, allowing the local agency to limit private plan-checking to credible entities with a history of meeting local standards. This bill eliminates the ability of local agencies to screen entities entirely, which not only creates risk for residents seeking to develop small-scale housing projects, but may also further exasperate limited local planning resources by requiring local agencies to consistently review and reject subpar plans that were reviewed by incapable private reviewers. A more measured approach is warranted.

Local agencies typically require individuals employed as plan-checkers to obtain certification as a residential plan-checker from an accrediting body such as the International Code Council. The Committee may wish to consider whether the bill should require private reviewers to maintain the same level of certification that local agencies require of public staff conducting residential plan-checks.

- 5) A replacement or a supplement? The author has indicated that this bill can help relieve overextended local building departments by allowing applicants for small housing developments to hire a private reviewer to conduct plan-checking functions. For local agencies facing increasing demands on building departments with limited resources, this bill could provide relief if its provisions are used responsibly. However, reducing barriers to hiring private reviewers for building permits could also lead to local agencies further hollowing out their local building departments to redirect resources to other functions. In order to monitor the effects of this bill, the Committee may wish to consider requiring local agencies to report on the number of permits that are reviewed by private reviewers annually.
- 6) *Committee amendments*. In order to address the items noted above as well as several technical items, the committee may wish to consider the following amendments:

Technical amendments

a) Clarify that the 30-days a local agency has to review a building permit begins once an application is deemed complete.

Substantive amendments.

- a) To address items raised in comment 4) above require private reviewers to be certified as plans examiners by the same accrediting body that certifies plancheckers employed by the local agency.
- b) To address items raised in comment 5) above require local agencies to include data indicating the number of residential building permits, as defined in the bill, that are plan-checked by the local agency, and the number of residential building permits that are plan-checked by an private reviewer in the annual progress report (APR) that they submit to HCD.
- 7) *Double referral.* This bill was also referred to the Local Government Committee, where it was approved on a 6-0 vote on July 2, 2025.
- 8) *Opposition*. Several local agencies and the California Building Officials oppose the bill. They express concerns that the bill will transfer responsibility for plan accuracy and code compliance away from public officials and over to private professionals without adequate oversight.

Related/Prior Legislation

AB 1308 (Hoover, 2025) — requires a building department to conduct an inspection of permitted work within 10 days of receiving a notice of the

completion of the permitted work authorized by a building permit issued for specified housing projects.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, July 9, 2025.)

SUPPORT:

California Yimby (Sponsor) Abundant Housing LA All Voting Members of the North Westwood Neighborhood Council American Institute of Architects California **Bay Area Council** California Apartment Association California Community Builders Circulate San Diego Culver City Democratic Club East Bay Yimby Eastside Housing for All Eden Housing Fieldstead and Company, INC. Fremont for Everyone Grow the Richmond Habitat for Humanity California House Sacramento Housing Action Coalition Housing Trust Silicon Valley Leadingage California Mountain View Yimby Napa-solano for Everyone Northern Neighbors Nv5 **Orange County Business Council** Peninsula for Everyone **Redlands Yimby** San Diego Housing Federation San Diego Regional Chamber of Commerce San Francisco Yimby Santa Cruz Yimby Santa Rosa Yimby

Sloco Yimby South Bay Yimby Spur Student Homes Coalition The Two Hundred Ventura County Yimby Westside for Everyone Yimby Action

OPPOSITION:

California Building Officials California Fire Chiefs Association City of Carlsbad City of Merced City of Merced City of Murrieta City of Rancho Cucamonga Fire Districts Association of California

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