
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 253 (Ward) - California Residential Private Permitting Review Act: residential building permits

Version: July 17, 2025

Urgency: Yes

Hearing Date: August 18, 2025

Policy Vote: L.GOV. 6-0, HOUSING 10-0

Mandate: Yes

Consultant: Mark McKenzie

Bill Summary: AB 253, an urgency measure, would authorize an applicant for a small-scale residential building permit to retain a “private professional provider” under certain circumstances to perform plan-checking functions to determine compliance with state housing laws and local ordinances, as specified. The bill would require cities and counties to include information in their annual progress reports (APRs) regarding the number of residential permits reviewed by the local agency and private providers, respectively.

Fiscal Impact:

- The Department of Housing and Community Development (HCD) indicates that this bill would impose ongoing workload to collect, validate, and store reported data on building permits reviewed by local agency staff and private professional providers, respectively, and provide technical assistance to local agencies, as well as one-time costs to update the housing element APR form and to update IT systems. HCD estimates that costs associated with this bill would be absorbable, assuming resources are approved for other APR-related bills that are pending in the Legislature. Staff estimates that ongoing workload directly attributable to this bill could exceed \$50,000 in staff time, and first-year costs could be as high as \$150,000 if no other APR bills are enacted and HCD would still be responsible for one-time fixed costs to update forms and IT systems, and to provide ongoing data collection and technical assistance services. See Staff Comments. (General Fund)
- Local agencies would incur state-mandated costs to post residential building permit fee schedules on their websites, and for local building departments to provide estimated permit application review timeframes, review reports of the plan-checking function provided by applicants using private professional providers, issue or deny building permits within 10 business days, and include information on their APRs regarding the number of residential permits reviewed by the local agency and private providers, respectively. Some local costs could be offset by savings from performing fewer plan-checking functions to the extent those functions are performed by private professional providers. Any local costs would not be state-reimbursable because local agencies have general authority to charge and adjust planning and permitting fees to cover their administrative costs associated with new planning mandates. (local funds)

Background: Existing law, the Permit Streamlining Act, requires public agencies to act fairly and promptly on applications for development permits. Local agencies must compile lists of information that applicants must provide and explain the criteria they will

use to review permit applications. Local agencies generally have 30 days to determine whether applications for development projects are complete and accepted for filing; failure to act within the specified deadlines results in an application being "deemed complete."

A builder may need a range of administrative permits from a local agency in order to construct or modify a building. City and county building departments enforce the provisions of State Housing Law, the California Building Standards Code, and local zoning codes that specify the allowable forms and uses of buildings within a city or county's jurisdiction. Within building departments, the positions responsible for evaluating building permits for compliance include building officials, inspectors, plan checkers, and civil engineers. State law also allows local agencies to hire private entities on a temporary basis to perform plan checking services, and requires local agencies to temporarily contract with a private entity to perform the plan checking function, upon request of an applicant for a building permit, if there is an excessive delay (generally over 30 days after submitting a completed application) in checking plans for a building permit for construction or a remodel or tenant improvement to non-residential buildings of up to three stories, as specified. Local agencies that are required to contract out can charge an applicant fees in an amount necessary to defray costs directly attributable to hiring someone to perform plan checking services.

Existing law requires each city and county to submit an APR to HCD and the Governor's Office of Land Use and Climate Innovation (LCI) by April 1 of each year that includes specified information relating to the status and progress of implementing the general plan, including steps taken to meet the jurisdiction's share of regional housing needs pursuant to its housing element. Among this information, cities and counties must report zoning and rezoning information, specified information regarding density bonuses granted, the number of housing development applications received in the prior year and the number of proposed units included in those developments, the number of units approved and disapproved in the prior year, the number of housing units that were demolished in the prior year, and the net number of new housing units issued a completed entitlement, building permit, or certificate of occupancy in the housing element cycle, and the income category of each unit.

Proposed Law: AB 253, an urgency measure, would authorize an applicant for a small-scale residential building permit to retain a "private professional provider" to perform plan-checking functions under certain circumstances. Specifically, this bill would:

- Define a "private professional provider" as a licensed professional engineer or architect who is certified as a residential plans examiner, as specified. A private professional provider must not have a financial interest in the residential building permit or in preparing the plans and specifications they are retained to review.
- Require a city or county, upon an application for a building permit for a residential development containing 1-10 housing units, as specified, to provide the applicant with an estimated timeframe in which the city or county will determine if the completed application is compliant with permit standards.
- Authorize an applicant for such a residential building permit to retain a private professional provider at the applicant's expense to perform plan-checking functions if the local agency estimates that it will not complete the plan check within 30 business

days, or if the local agency fails to complete its plan-checking within 30 business days, as specified.

- Require a permit applicant to notify the city or county of its intent to retain a private professional provider within five business days after either of those 30 business day timeframes.
- Require all of the following if a private professional provider performs the plan-checking functions:
 - Require the private provider to prepare an affidavit, under penalty of perjury, stating whether the plans and specifications comply with state housing laws and local ordinances, and that the private provider performed the plan-checking function.
 - Require the applicant to submit to the local building department a specified report of the plan-checking function
 - Require 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. If the plans are not compliant, the local agency must indicate any requirements to bring the plans into compliance.
 - Specify that the building permit is deemed approved if the local agency does not issue the permit or notify the applicant within the 10-day limit and the affidavit prepared by the private provider indicates that the plans and specifications comply with applicable requirements.
 - Require the applicant to indemnify the local agency from any property damage or personal injury arising from construction in accordance with plans checked by a private provider, and specify that a public entity or employee is not liable for an injury caused by their discretionary or ministerial acts related to the issuance or denial of any building permit pursuant to the bill.
- Authorize an applicant to resubmit corrected plans to the city or county to check the corrected plans if a local agency notifies the applicant that plans are not compliant with applicable requirements. Any resubmitted plans would be subject to the timelines specified in the bill.
- Require cities and counties to include in their APRs, beginning on April 1, 2027, information regarding the number of building permits for small-scale residential developments that were reviewed by the local agencies and private plan-checkers, respectively.
- Require 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.
- Delete 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.

Related Legislation: AB 670 (Quirk-Silva), which is currently pending on this Committee's Suspense File, includes a provision that would require local agencies to include additional information regarding the demolition and replacement of housing units in their APRs.

AB 671 (Wicks), which is currently pending in this Committee, would require a local building or permitting department to allow an applicant to have a private “qualified professional certifier” certify that plans for certain restaurant tenant improvements comply with applicable building, health, and safety codes.

AB 726 (Avila Farias), which is currently pending in this Committee, would authorize cities and counties to include the number of units of deed-restricted affordable housing that have been substantially rehabilitated in their APRs.

AB 1131 (Ta), which is currently pending on this Committee’s Suspense File, would authorize cities and counties to include the number of units approved for congregate housing for the elderly for up to 15% of their RHNA for any income category in their APRs.

AB 2433 (Quirk-Silva), which was referred to the Senate Local Government Committee last year and never heard, would have required a city or county to contract out for plan checking services upon request of an applicant for many types of plan checks, including non-residential plan checks, if the building department does not act within 30 business days of receipt of the application.

Staff Comments: HCD notes that there are multiple bills pending in the Legislature that would revise the information that local agencies include in their APRs, including this bill, as well as AB 670 (Quirk-Silva), AB 726 (Avila Farias), and AB 1131 (Ta), all of which would create ongoing staff workload for HCD’s Data and Innovation Unit for new data collection and coordination with local agencies, as well as one-time costs to make changes to the APR form and IT systems. HCD estimates that the one-time costs of \$100,000 for APR form updates and IT changes, and ongoing staff workload costs of \$230,000 for 1.0 PY of new staff that have been identified as the fiscal impacts for AB 670 (Quirk-Silva) should be sufficient to accommodate the workload associated with all three of these APR-related bills combined. As such, staff notes that the costs directly attributable to this bill would likely only represent a portion of the one-time and ongoing costs reported by the department if all of the APR-related bills are enacted. If this bill is the only bill enacted that impacts HCD’s workload, however, staff notes that HCD would likely incur General Fund costs in the range of \$100,000 to \$150,000 in the first year, and ongoing administrative costs in the range of \$50,000 for a partial PY of staff time.

By imposing new duties on cities and counties, this bill imposes a state-mandated local program. Staff notes, however, that any local costs mandated by this bill would not be subject to state reimbursement because local agencies have the authority to charge and adjust planning and permitting fees as necessary to cover administrative costs. Existing law authorizes planning and zoning fees to “include the costs reasonably necessary to prepare and revise the plans and policies that a local agency is required to adopt before it can make any necessary findings and determinations.” Case law and previous decisions by the Commission on State Mandates support the position that local governments’ planning costs are not reimbursable when the state imposes new planning mandates.

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