
CONSENT

Bill No: AB 36
Author: Soria (D)
Amended: 8/18/25 in Senate
Vote: 21

SENATE HOUSING COMMITTEE: 10-0, 7/15/25
AYES: Wahab, Seyarto, Arreguín, Caballero, Cortese, Durazo, Gonzalez,
Grayson, Ochoa Bogh, Padilla
NO VOTE RECORDED: Cabaldon

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 69-0, 5/8/25 (Consent) - See last page for vote

SUBJECT: Housing elements: prohousing designation

SOURCE: Author

DIGEST: This bill 1) requires the California Department of Housing and Community Development (HCD), upon request by a small rural jurisdiction, to analyze existing housing element materials from the jurisdiction to determine whether or not they qualify for the Prohousing Designation Program (PDP); 2) clarifies that HCD shall only review those materials if the jurisdiction has a compliant housing element; 3) prohibits HCD from requiring “small rural jurisdictions” renew their prohousing designation for at least 4 years; and, 4) preserves HCD’s authority to revoke a jurisdiction’s designation.

ANALYSIS:

Existing state law:

- 1) Provides for the acknowledgement and support of jurisdictions that have played an active role in accelerating housing production, under the PDP.

- 2) Authorizes HCD to award bonus application points to jurisdictions — who have been designated as prohousing — for state funding, giving them a competitive advantage.
- 3) Enables jurisdictions that receive a prohousing designation to also be eligible to apply for the Prohousing Incentive Program (PIP), which awards additional funds to support accelerated affordable housing development and preservation.

This bill:

- 1) Defines “small rural jurisdictions” as either cities with fewer than 25,000 people, or counties with fewer than 200,000 people.
- 2) Requires HCD to review, upon request from small rural jurisdictions with compliant housing elements, previously submitted housing element materials and determine whether or not they qualify outright for the prohousing designation without submitting additional information.

Background

Housing elements. Since 1969, California has required that all cities and counties adequately plan to meet the housing needs of everyone in the community, at all income levels. California’s local governments meet this requirement by adopting housing plans as part of their “general plan” (also required by the state). A general plan serves as a local government’s blueprint for how the city and/or county will grow and develop and includes eight elements: land use, transportation, conservation, noise, open space, safety, environmental justice, and housing. California’s Housing Element Law acknowledges that, in order for the private market to adequately address the housing needs and demand of Californians, local governments must adopt plans and regulatory systems that provide opportunities for (and do not unduly constrain) housing development. As a result, housing policy in California rests largely on the effective implementation of local general plans and, in particular, local housing elements.

PDP. The PDP was established by the 2019-20 California Budget Act. This program seeks to acknowledge and support jurisdictions that go above-and-beyond state housing law to help accelerate housing production. A jurisdiction with a Prohousing Designation may receive priority processing or funding points when applying for several funding programs, including Affordable Housing and Sustainable Communities, Infill Infrastructure Grant, Transformative Climate

Communities, Solutions for Congested Corridors, Local Partnership Program, Transit and Intercity Rail Capital Program, and Sustainable Transportation Planning Grant Program.

PIP. The PIP is intended to increase participation in HCD's PDP by pairing the designation with an impactful award grant that aids cities and counties in creating and conserving affordable housing. HCD uses a points-based system to evaluate PDP applications across these four categories: implementing prohousing zoning and land use policies; accelerating new housing production timelines; reducing costs associated with housing production; and providing financial subsidies and public resources to aid housing production.

Comments

Author's statement. "In recent years, California has taken a number of steps to ensure cities and counties are doing their part to combat the state's housing crisis, creating penalties to deter bad actors and incentives to reward those doing the right thing and to encourage others to follow their lead. One of the most significant incentives has been the creation of the PDP, which recognizes local governments who are going above and beyond to promote housing development and gives them bonuses when applying for state housing funds. Unfortunately, applying to the PDP is extremely complex and burdensome, putting the program out of the reach of many small, rural cities and counties who are doing all the right things to provide housing for their residents. AB 36 levels the playing field by requiring the Department of Housing and Community Development to use the information cities already provide in their housing elements to determine whether they qualify for the PDP. By minimizing the burden on small cities and counties, AB 36 ensures the PDP rewards those doing the most to house their residents and not only those able to navigate complicated bureaucracy, while incentivizing more small jurisdictions to follow their lead."

Leveling the playing field for smaller jurisdictions. This bill would allow small rural jurisdictions to request HCD review the housing element materials they are already required to submit as part of their Annual Progress Report to determine if they qualify for the PDP. Proponents of the bill have described the undue administrative burden placed on smaller, more rural jurisdictions who may otherwise qualify as "prohousing," but may not have the administrative bandwidth to submit additional materials for consideration. This bill aims to shift some of that administrative burden onto HCD, and in turn, empower these jurisdictions to have greater access to state housing funds.

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

SUPPORT: (Verified 08/25/25)

California State Association of Counties
CDP Rural Caucus
League of California Cities
Rural County Representatives of California

OPPOSITION: (Verified 08/25/25)

None received.

ARGUMENTS IN SUPPORT: Rural County Representatives of California wrote the following in support of this bill, “The PDP designates local governments going above and beyond the requirements of state housing law to promote housing development in their communities as “prohousing”, rewarding them with priority access to critical housing and infrastructure programs. However, the application for the PDP is complex and requires extensive documentation, making it difficult for rural jurisdictions with limited staff to apply even when they have adopted strong prohousing policies. AB 36 eases the administrative burden on smaller cities and counties by having HCD analyze the information local governments already provide in their housing elements to determine whether they qualify as prohousing. This minimizes unnecessary duplication of work by local governments with limited resources without lowering the standards to be designated as prohousing. To combat California’s housing crisis, we must equitably recognize and incentivize the work local governments of all sizes are doing to promote housing development. This bill achieves our mutual goal of focusing HCD’s resources to assist local governments’ efforts to meet the state’s housing needs.”

ASSEMBLY FLOOR: 69-0, 5/8/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Bonta, Bryan, Calderon, Caloza, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Fong, Gabriel, Garcia, Gipson, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NO VOTE RECORDED: Arambula, Boerner, Carrillo, Flora, Gallagher, Jeff
Gonzalez, Irwin, Celeste Rodriguez, Sanchez, Wallis

Prepared by: Ryan Hardmeyer / HOUSING / (916) 651-4124
8/27/25 16:17:58

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