
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 6 (Ward) - Residential developments: building standards: review

Version: May 5, 2025

Urgency: No

Hearing Date: July 14, 2025

Policy Vote: HOUSING 11 - 0

Mandate: No

Consultant: Mark McKenzie

Bill Summary: AB 6 would require the Department of Housing and Community Development (HCD) to convene a working group with specified stakeholders to research and consider recommendations for amendments to state building standards to allow residential developments of three to 10 units to be built under the California Residential Code, and to provide a report of its findings to the Legislature by December 31, 2028, as specified. The bill would also require HCD to perform a review of residential cost pressures as a result of new or existing building standards requirements and report its findings in its annual report to the Legislature, as specified.

Fiscal Impact:

- HCD estimates ongoing costs of approximately \$387,000 annually, beginning in 2026-27, for 2.0 PY of staff to convene the working group, conduct research, consider recommendations for amending state building standards, and include findings in the annual report to the Legislature by December 31, 2028. To the extent the working group identifies and recommends amendments to building standards, HCD staff would research, develop, and propose revisions and clarifications to the Building Standards Code for adoption by the California Building Standards Commission (CBSC). (General Fund)
- HCD also estimates one-time contracting costs of approximately \$1.5 million in 2026-27 to perform the review of residential construction cost pressures, as specified, and report findings to the Legislature. (General Fund)
- The Division of the State Architect estimates costs of approximately \$256,000 annually for two years to participate in the working group and consider amendments to building standards under its jurisdiction. (Disability Access Fund and/or Public School Planning, Design, and Construction Review Revolving Fund)
- Minor and absorbable costs for the California Energy Commission (CEC), CBSC, and State Fire Marshal to participate in the working group and assist HCD in the investigation of possible building standards changes. (various special funds and General Fund)
- Minor and absorbable costs for the CBSC to participate in the working group and to consider the proposed revisions to the Building Standards Code for adoption as part of next triennial update that occurs on or after January 1, 2031. (Building Standards Administration Revolving Fund)

Background: Existing law, the California Building Standards Law, authorizes the BSC to approve and adopt building standards through a triennial rulemaking process to revise and update the California Building Standards Code. There are approximately twenty state agencies that develop building standards for submittal to the BSC for review, approval, and adoption. HCD is responsible for proposing building standards to the BSC for residential buildings including, hotels, motels, lodging houses, apartment houses, dwellings, buildings and structures. In the absence of a designated state agency, the CBSC is required to adopt specific building standards, as prescribed. Building standards take effect 180 days after they are published, unless a different date is specified. The most recent update to the California Building Standards Code, the 2022 Triennial Edition, is in effect from January 1, 2023 until December 31, 2025.

The California Building Standards Code includes various sections, including an Administrative Code, Residential Code, Building Code, Electrical Code, Mechanical Code, Plumbing Code, Energy Code, Fire Code, and Green Building Standards Code, among others. The California Residential Code governs construction of one- and two-family residential dwellings and townhouses of three stories or less, while the California Building Code establishes requirements for the general building design and construction requirements for all other buildings, including medium and high density housing.

New building standards being proposed by various code entities to the CBSC must be accompanied by an analysis that justifies approval based on specified criteria, including that the standard is not duplicative of other standards, is not unreasonable, arbitrary, unfair, or capricious, and the cost to the public is reasonable, based on overall benefits derived from the standard. While existing law requires the proposing entity to analyze the cost to the public of individual building code modifications, there are not current requirements for a review of the accumulation of those many changes at a holistic level to form a reasonable estimate of the cumulative cost impacts of adopting additional building standards.

Proposed Law: AB 6 would require HCD to convene a working group by December 31, 2026 that includes the CBSC, State Fire Marshal, Division of the State Architect, the CEC, and other stakeholders to research and consider identifying and recommending amendments to state building standards allowing residential developments of three to 10 units to be built under the requirements of the California Residential Code, and any necessary modifications to maintain health and safety standards for the developments. The bill would require HCD to provide a one-time report of its findings to the Legislature in its annual report by December 31, 2028.

AB 6 would require HCD and other specified state agencies, if the working group identifies and recommends amendments to building standards, to research, develop, and consider proposing those standards for adoption by the CBSC for the next triennial update of the Building Standards Code that occurs on or after January 1, 2031.

The bill would also require HCD to perform a review of construction cost pressures for single-family and multifamily residential construction as a result of new or existing building standards requirements, and provide a one-time report of its findings to the Legislature in its annual report by December 31, 2026. Commencing with the next triennial update of the Building Standards Code that occurs on or after January 1, 2031, and every three years thereafter, HCD must perform an additional review of

construction cost pressures to revise or update standards with the goal of reducing the cost of construction for new residential development by 30%.

Related Legislation: AB 2934 (Ward), which was held on this Committee's Suspense File last year, was substantially similar to this bill. However, provisions requiring HCD to perform a review of residential construction cost pressures were amended out of the bill in the Assembly Appropriations Committee.

AB 529 (Gabriel), Chap. 743/2023, required HCD to convene a specified working group regarding adaptive reuse residential projects, including identifying and recommending amendments to state building standards, and made other changes to state law related to adaptive reuse projects.

Staff Comments: As noted above, HCD estimates that it would incur ongoing costs of approximately \$387,000 annually for 2.0 PY of staff for workload associated with this bill. This would include staff time to convene and participate in the working group's activities, include findings in a one-time report to the Legislature by December 1, 2028, and respond to ongoing technical assistance requests by local agencies, buildings design professionals, and the public. To the extent the working group recommends amendments to building standards, HCD would continue to incur costs for workload to research, develop, and consider proposing building standards for adoption by the CBSC for the next triennial update that occurs on or after January 1, 2031. HCD would also incur one-time contracting costs of approximately \$1.5 million to perform a review of construction cost pressures for residential construction resulting from new and existing building standards. HCD staff must also perform a similar review every three years to revise or update standards, as needed, with the goal of reducing construction costs by 30%.

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