SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 726 (Ávila Farías) - Planning and zoning: annual report: rehabilitated units

Version: February 18, 2025 **Policy Vote:** HOUSING 10 - 0

Urgency: No Mandate: No

Hearing Date: August 29, 2025 Consultant: Mark McKenzie

Bill Summary: AB 726 would authorize local agencies to include additional information regarding the number of units of existing deed-restricted affordable housing units that have been substantially rehabilitated, as specified, in their annual progress reports (APRs) submitted to the Department of Housing and Community Development (HCD).

****** ANALYSIS ADDENDUM - SUSPENSE FILE ********

The following information is revised to reflect amendments adopted by the committee on August 29, 2025

Fiscal Impact:

• HCD indicates that this bill would impose ongoing workload costs to collect, validate, and store reported data on substantially rehabilitated housing units, and provide technical assistance to local agencies, as well as one-time costs to update the housing element APR form and make IT systems upgrades. 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 would likely exceed \$50,000 in staff time, and first-year costs could be as high as \$150,000 to \$200,000 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. (General Fund)

Committee Amendments: Make technical changes necessary to avoid chaptering out provisions of AB 130 (Budget Committee), Chap. 22/2025, the recently enacted housing budget trailer bill.