CONCURRENCE IN SENATE AMENDMENTS
AB 750 (Quirk-Silva)
As Amended August 20, 2026
Majority vote

SUMMARY

Expands eligibility for the Portfolio Reinvestment Program (PRP) administered by the Department of Housing and Community Development (HCD) to include affordable housing developments at-risk of conversion that do not have HCD funding, as specified.

Senate Amendments
1) Delete the contents of the bill.

2) Expands eligibility for the PRP administered by HCD to include affordable housing developments at-risk of conversion that do not have HCD funding, as specified.

COMMENTS

*Portfolio Reinvestment Program***:** The California Housing Partnership estimates that over 32,700 of the existing government-subsidized affordable apartments in California are at risk of conversion to market rate in the next 10 years. Many older HCD-funded affordable multi-family rental housing developments are aging and need additional investments. The affordability restrictions on some properties have expired or are close to expiring, placing these units at risk of converting to market-rate. The Portfolio Reinvestment Program was established through the budget beginning in 2021-22 to provide loans and grants to HCD-funded developments that have expired affordability covenants or have remaining term of 10 years. This program has received $250 million in funding (2021-22 included $300 million, the 2022-23 included $50 million, and the 2023-24 budgeted included $100 million).

This bill would expand the types of developments that can qualify for loans or grants to include developments that do not have HCD loans but are defined as "challenged developments." A challenged development is defined as a development that is at least 15 years old, serves either extremely low income or very low income residents or has a United Sates Department of Agriculture (USDA) loan, and HCD determines that development cannot access private funds. HCD would be required to prioritize HCD-funded loans with affordability restrictions that have expired or that are at risk of expiring within 10 years. At least 10% of every round of funding for PRP would be made available to challenged developments. Because these developments have less rental income they are less able to compete for Low Income Housing Tax Credits or other debt.

The Legislature passed SB 417 (Limon and Rivas), Chapter 16, Statues of 2026, a $11.25 billion housing bond for the November 2026 ballot. The bond includes $750 million for PRP.

According to the Author
"The source of California's housing crisis lies in the scarcity of affordable housing, disproportionately affecting low-income families and households. To address this issue, California has developed 500,000 rental homes affordable to low-income families. However, after 15 years or more of occupancy, a considerable number of these developments are in need of significant rehabilitation. Developments with the lowest rents, designed to provide affordable units, are not in a position to leverage debt or tax credits and therefore lack financing options.

Without rehabilitation, such challenged developments fall into disrepair, creating health and safety concerns for residents and, ultimately, jeopardizing the loss of precious affordable homes."

Arguments in Support
According to the California Housing Consortium, "AB 750 expands PRP to all challenged developments while maintaining a priority for those that have HCD loans and expiring regulatory agreements. The bill defines a challenged development as one with an average affordability of 45% of the area median income or less and insufficient access to private or other public resources to complete substantial rehabilitation. AB 750 will help maintain California's existing affordable housing stock.

Arguments in Opposition
None on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee:

HCD indicates that expanding the PRP to allow funding for challenged developments would increase the scope of application processing and the overall complexity of the program, requiring the addition of 5.0 per year (PY) of new staff at a cost of approximately $1.2 million annually. Staff notes that these costs would only be incurred to the extent additional funding is appropriated for the PRP in the future. (General Fund, potentially bond funds)

Unknown future cost pressures, likely in the millions to tens of millions annually, to provide additional program funding to accommodate the demand for challenged developments that would be eligible for funding under the program. Staff notes that the bill requires HCD to allocate an unspecified "certain percentage of funds" for challenged developments based on the relative need and availability of resources. (General Fund, potentially bond funds)

VOTES:

ASM HOUSING AND COMMUNITY DEVELOPMENT: 10-0-1
YES: Haney, Patterson, Ávila Farías, Caloza, Kalra, Lee, Quirk-Silva, Ta, Wicks, Wilson
ABS, ABST OR NV: Gallagher

ASM JUDICIARY: 10-0-2
YES: Kalra, Wicks, Bryan, Connolly, Harabedian, Pacheco, Papan, Sanchez, Stefani, Zbur
ABS, ABST OR NV: Dixon, Tangipa

ASM APPROPRIATIONS: 13-0-2
YES: Wicks, Sanchez, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Hart, Pacheco, Solache, Ta, Alanis
ABS, ABST OR NV: Dixon, Pellerin

ASSEMBLY FLOOR: 67-1-11
YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly, Davies, Elhawary, Fong, Gabriel, Gallagher, Garcia, Gipson, Mark González, Haney,

Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NO: DeMaio
ABS, ABST OR NV: Castillo, Dixon, Ellis, Flora, Jeff Gonzalez, Hadwick, Hoover, Macedo, Papan, Sanchez, Tangipa

UPDATED

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