
SENATE COMMITTEE ON HOUSING**Senator Aisha Wahab, Chair****2025 - 2026 Regular**

Bill No: AB 818**Hearing Date:** 7/15/2025**Author:** Ávila Farías**Version:** 6/25/2025 Amended**Urgency:** No**Fiscal:** Yes**Consultant:** Hank Brady**SUBJECT:** Permit Streamlining Act: local emergencies

DIGEST: This bill requires local agencies and utility providers to expedite certain aspects of the approval process and waives specified green energy standards for residential developments on properties that were destroyed in a disaster.

ANALYSIS:*Existing law:*

- 1) Authorizes the State Energy Resources Conservation and Development Commission (CEC) to prescribe, by regulation, lighting, insulation, climate control system, and other building design and construction standards that increase efficiency in the use of energy and water for new residential and new nonresidential buildings, and energy and water conservation design standards for new residential and new nonresidential buildings. Under this authority, the CEC has established regulations for the installation of photovoltaic systems meeting certain requirements for low-rise residential buildings built on or after January 1, 2020.
- 2) The California Emergency Services Act (CESA) authorizes the Governor to declare a state of emergency, and local officials and local governments to declare a local emergency, when specified conditions of disaster or extreme peril to the safety of persons and property exist.
- 3) Establishes the Permit Streamlining Act (PSA), which, among other things, establishes time limits within which state and local government agencies must either approve or disapprove permits to entitle a development.

- 4) Establishes standards and requirements for local agencies to review non-discretionary post-entitlement phase permits, including time limits within which local agencies must either approve or disapprove these permits.
- 5) Establishes the Powering Up Californians Act which requires the CPUC, on or before September 30, 2024, to establish reasonable average and maximum target energization time periods, as defined, and a procedure for customers to report energization delays to the commission, as provided. Requires the CPUC to require the electrical corporation to take remedial actions necessary to achieve the commission's targets and requires all reports to be publicly available.

This bill:

- 1) Defines the following terms:
 - a) "Affected property" means a residential real property that satisfies any of the following conditions:
 - i) The property was destroyed by a disaster that resulted in a declared local emergency.
 - ii) The property was declared a substandard building as a result of a disaster that resulted in a declared local emergency.
 - iii) The property is effectively a substandard building as a result of a disaster that resulted in a declared local emergency.
 - b) "Disaster" means a fire, flood, storm, tidal wave, earthquake, terrorism, epidemic, or other similar public calamity that the Governor determines presents a threat to public safety.
 - c) "Local agency" means a county, city, or city and county, as specified.
 - d) "Local emergency" means a condition of extreme peril to persons or property proclaimed as such by the governing body of the local agency, as specified.
 - e) "Substandard building" means a building, or portion thereof, including any building used for human habitation, that is declared substandard, as specified.

- 2) Provides that requirements for solar panel installations and associated energy storage systems established in the California Building Standards Code do not apply to an application for a permit necessary to rebuild or repair a property that was destroyed or rendered substandard in a disaster that resulted in a declared local emergency.
- 3) Requires a utility provider to provide a written notice describing the next steps in the approval process for a connection request for the project within 30 days of receipt of a connection request for a project with an approved local agency permit to rebuild or repair an affected property, as specified.
- 4) Requires a local agency to approve an application for a building permit within 10 business days for a modular home, a prefabricated home, an accessory dwelling unit (ADU), or a similar structure, that is intended to be used by a person until the rebuilding or repairing of their affected property is complete.
- 5) Requires local agencies to update the following on their internet website every four years, starting March 31, 2028:
 - a) Information regarding:
 - i) The requirements included in this bill.
 - ii) The conditions that result in a property being deemed substandard.
 - b) A notification of a person's right to obtain a confidential third-party code inspection of their property.
 - c) A dashboard that tracks permitting timelines and agency performance.

Background

- 1) *The California Building Standards Code*. Title 24 of the California Code of Regulations contains building standards and regulations as adopted by the California Building Standards Commission (BSC). These standards include, among other requirements, structural standards for building safety (the Building Code), fire safety standards (the Fire Code), energy efficiency standards (the Energy Code), and standards for green buildings (CalGreen). The BSC updates the Building Standards Code on a three-year cycle—the BSC published new standards that went into effect on January 1, 2023. Once adopted at the state level, cities and counties in California then enact an ordinance to adopt the codes. New construction and improvements to existing buildings must comply with the current building codes, and improvements to an existing building may trigger additional code upgrades for other parts of a building.

- 2) *Eaton and Palisades fires.* California continues to experience the impacts of climate change with disasters of increasing scale and frequency destroying whole communities at an unprecedented scale. In the first month of 2025, major wildfires burned more than 50,000 acres. The Eaton and Palisades fires alone destroyed or damaged more than 18,000 structures including homes, small businesses, schools, and places of worship in Los Angeles County¹. The destruction of homes in Los Angeles County exacerbates the existing housing crises facing that region and California as a whole.

Prior to the wildfires, the Los Angeles region already suffered from an acute housing shortage. The sixth Regional Housing Needs Allocation (RHNA) cycle required the City of Los Angeles to plan for an additional 456,000 units of housing, and the unincorporated portions of Los Angeles County to plan for 90,000 units of housing in order to satisfy unmet housing demand. Halfway through the sixth cycle, the City of LA has issued 46,000 permits and the County of Los Angeles has issued 5,100 permits (10% and 6% of the demand identified in RHNA, respectively). The estimated 10,000 homes burned in the Eaton fire alone exceeds the number of permits the County of Los Angeles has issued for new housing developments in the current RHNA cycle.²

- 3) *Governor's Executive Orders on rebuilding.* The CESA grants expansive authority for the governor to waive or suspend statutes and regulations that hinder efforts to mitigate the impacts of a declared emergency. Additionally, the The California Environmental Quality Act (CEQA) and the California Coastal Act include provisions that exempt projects to rebuild structures damaged by emergencies from environmental review and permitting requirements. Governor Newsom proclaimed a state of emergency to exist in Los Angeles and Ventura Counties due to fire and windstorm conditions and subsequently issued a series of executive orders in response to the wildfires. The provisions pertinent to rebuilding residential structures are contained in EO-N-45³ and EO N-9-25.⁴ These orders were further modified by EO N-20-25.⁵ Among other provisions, these orders establish the following:

¹ <https://www.fire.ca.gov/incidents/2025/1/7/eaton-fire/updates/262ba0be-593a-463c-94b1-a15d1e7f2a1e>; <https://www.fire.ca.gov/incidents/2025/1/7/palisades-fire/updates/fc673f28-0d66-402b-9ebe-2380a9bf3c26>

² <https://www.npr.org/2025/01/17/nx-s1-5261859/los-angeles-wildfires-houses-survived-defensible-space#:~:text=More%20than%2010%2C000%20houses%20have,are%20still%20standing%2C%20seemingly%20untouched.>

³ Governor Gavin Newsom, [Executive Order N-4-25](#). 12 January 2025

⁴ Governor Gavin Newsom, [Executive Order N-9-25](#). 16 January 2025

⁵ Governor Gavin Newsom, [Executive Order N-20-25](#). 13 February 2025.

- a) Exempts the following projects from CEQA and any obligation to obtain a coastal development permit:
 - i) Primary structures that are in substantially the same location and do not exceed 110% of the footprint and height of original structures that existed immediately before the emergency;
 - ii) New ADUs on a residential property on which a primary residence was substantially damaged or destroyed as a result of the emergency, provided that the structures are a minimum distance from a canyon or coastal bluff, as specified;
 - iii) Accessory structures that do not exceed 110% of the footprint and height of accessory structures that existed immediately before the emergency, as specified; and,
 - iv) Supportive infrastructure, including, but not limited to, foundation systems, utilities and driveways, that is necessary to facilitate the reconstruction of structures identified above.
- b) Suspends for three years any ordinance adopted by a local government in Los Angeles County that precludes the placement of a manufactured home, mobilehome or recreational vehicle on a private lot for use during the reconstruction or repair of any home damaged by the fires.
- c) Extends the expiration date of permits associated with properties affected by the fires.

Comments

- 1) *Author's statement.* "Even when the last of the flames have been extinguished, for families who tragically lost their homes, the road to recovery and rebuilding may seem endless. As current law does not outline specific or streamlined permit processes for residential properties affected by natural disasters, communities rebuilding their pre-existing properties can face extensive regulatory, administrative and financial challenges. AB 818 takes lessons learned from past response efforts and provides 'off the shelf' guidance to policy makers and homeowners to restore their communities. It outlines specific procedures for municipal staff to implement, with the help of the California Department of Housing & Community Development, to expedite permits and inspections, use fire-resistant and energy-efficient materials, and flexibility to rebuild previously unpermitted structures. While we cannot give back what the homeowner has lost, we can help them rebuild a home that's even better and do it more expediently."

- 2) *Energization after a disaster.* Property owners seeking to rebuild after a disaster also must receive service from various utilities, including electric utilities. SB 410 (Becker, 2023) and AB 50 (Wood, 2023), directed the California Public Utilities Commission (CPUC), which regulates investor-owned utilities (IOUs), to define reasonable energization times for new or upgraded electrical loads and establish a process for reporting delays. On September 12, 2024, the CPUC approved decision D.24.09.020, which established average and maximum timelines for utilities to approve or deny an application for energization and a timeline to complete energization. The CPUC decision requires IOUs to achieve an average of 10-days to approve or deny energization applications, and established a maximum of 45-days for approving or denying an application.

Special districts that provide services, including electrical service, are subject to different requirements: if they receive an application for service to a housing project, they must respond within 30 business days for projects of 25 units or fewer, and 60 business days for larger projects, and indicate any needed additional information (AB 281, Grayson, 2024).

- 3) *Utility providers and connection requests.* This bill requires “utility providers” to inform an applicant that has received a permit from a local agency to rebuild or repair a property destroyed in a disaster, of the next steps in the approval process for a connection request, within 30 days of receipt of a request. The term “utility provider” is not defined in the bill; however, this bill’s provisions will be added to the Government Code where the term “utility provider” is used to describe disclosure requirements regarding connection fees charged by local public agencies that function as utility providers pursuant to the Mitigation Fee Act (MFA). In order to avoid confusion and duplication with more stringent energization requirements established by the CPUC for IOUs pursuant to SB 410 and AB 50, the Committee may wish to consider clarifying that the bill’s provisions apply to utility providers that are subject to the MFA.
- 4) *California’s building energy efficiency standards.* California’s building energy efficiency standards are updated every three years. The CEC adopted the 2019 Building Energy Efficiency Standards, which went into effect on January 1, 2020. The standards are the first in the nation to require solar photovoltaic systems for new construction. The standards also include improved thermal building envelope standards (i.e., insulating the interior), residential and nonresidential ventilation requirements, and nonresidential lighting requirements. For residential buildings, according to the CEC, the standards will result in about 53% less energy use than under the 2016 standards. The CEC further estimates that the new standards will reduce greenhouse gas

emissions by 700,000 metric tons over three years. CEC's energy efficiency standards are adopted by the Building Standards Commission as part of the California Building Standards Code, which serves as the basis for building and construction in California. The CEC first adopted building energy efficiency standards in 1977. The CEC reports that the energy efficiency building standards have saved Californians billions of dollars since their first adoption, avoided the need for power plants and transmission lines, and have helped keep California's per-capita energy consumption flat.

- 5) *Try, try again.* Following the effective date of the 2019 Building Energy Efficiency Standards requiring installation of solar photovoltaic systems on new construction, several legislative efforts sought to exempt homes that are rebuilt following a disaster from this standard. In 2019, the Governor signed AB 178 (Dahle), which temporarily delayed (until 2023) the effective date of the rooftop solar requirements for homes rebuilt following a disaster. In 2022, AB 1078 (Patterson) seeking to extend this exemption until 2024, was vetoed by the governor. Two subsequent legislative efforts sought to temporarily exempt homes destroyed in a disaster to from the solar requirement if the original home was built prior to the solar requirement taking effect. The most recent effort, AB 2787 (Joe Patterson) was vetoed by the Governor last year with the following message:

I am returning Assembly Bill 2787 without my signature.

This bill would adopt an exemption, until January 1, 2028, from the California Building Energy Efficiency Standards (Standards) solar ready and battery storage system installation requirements for residential buildings damaged or destroyed as a result of a disaster.

The solar ready requirement is an innovative and forward-leaning policy that requires new residential buildings to install a minimum amount of cost-effective solar photovoltaic capacity to reduce homeowner energy costs, improve energy resiliency and reduce greenhouse gas emissions.

Extending this exemption would nullify these positive outcomes and instead would increase homeowner energy costs. This exemption also undermines the energy resiliency of homes, especially those in high-fire risk areas, and increases greenhouse gas emissions. Further, this exemption is overly broad and would not assist those disaster victims who are the most disadvantaged.

For these reasons, I cannot sign this bill.

The exemption in AB 2787 (Patterson) was similar to this, bill as it only applied to projects to rebuild residential units following a disaster, but it was notably narrower than the exemption proposed in this bill in several ways. First, its application was limited to low-income property owners. Second, the exemption in AB 2787 was temporary and would have expired in 2028. The Committee may wish to consider whether any conditions have changed that would lead to a different outcome should this bill make it to the governor's desk.

- 6) *Something Similar.* This bill requires local agencies to approve a building permit for specified structures that a person intends to occupy while they rebuild their property within 10 business days. Specifically, a local agency must approve a building permit for a state or federally approved modular home prefabricated home, or an ADU within 10 business days. Additionally, local agencies are required to approve a building permit for a “structure similar” to a modular home, prefabricated home, or ADU within 10 business days. It is unclear what is covered by this language. There is a broad array of structures that could be considered “similar” to an ADU, or similar to a modular home. The Committee may wish to consider removing this ambiguity from the bill.
- 7) *Technical items.* The language in the bill requires a local agency to approve a building permit within 10 business days. Prefabricated homes and modular homes may not require a “building permit” from the local agency, as the building may be functionally complete by the time it arrives at the site. The Committee may wish to clarify that the approval shot clock is for a building permit, or its equivalent permit issued by the local agency. Additionally, legislatively mandated local approval shot clocks are common in statute, however they typically require a local agency to approve “or deny” a “complete” permit application within a certain time frame. This reflects that a local agency is only required to process an application that is complete, and that a local agency is not required to approve an application that would not meet building standards. The Committee may wish to clarify that the shot clock in the bill applies to “complete” permit applications, and that a local agency is required to approve “or deny” a complete application within 10 business days.
- 8) *Opposition.* Livable California is in opposition and argues that the time limit for local agencies to approve permits is too short.
- 9) *Committee Amendments.* To address items noted above, the author has agreed to the following amendments:

- a) Clarify that the term “utility provider” means an entity that provides utility service connections that is subject to the MFA.
- b) Amend the permit approval shot-clock language to require a local agency to “approve or deny a complete application within 10 business days of receipt of the application, for a building permit, or an equivalent permit.”
- c) Strike the requirement that the permit approve shot clock applies to structures that are similar to a modular home, prefabricated home, or ADU.
- d) Make other technical and clarifying changes.

Related/Prior Legislation

AB 2787 (Joe Patterson and Jim Patterson, 2024) — was substantially similar to AB 704 (see below). *This bill was vetoed by the Governor.*

AB 50 (Wood, Chapter 317, Statutes of 2023) — required the CPUC, to determine the criteria for customers to receive timely electricity service when requesting new service connections or upgraded service, known as "energization." Proposed several policies to address delays in connecting customers to the electrical grid, including improved information sharing with local governments, reporting by electric IOUs, and other measures.

SB 410 (Becker, Chapter 394, Statutes of 2023) — required the CPUC to establish by September 30, 2024, reasonable average and maximum target energization time periods in order to connect new customers and upgrade the service of existing customers to the electrical grid.

AB 704 (Jim Patterson, 2023) — would have exempted residential construction to repair or replace a residential building destroyed or damaged as a result of a disaster for which the Governor has declared a state of emergency from the state's solar photovoltaic (PV) building requirements until January 1, 2028. *This bill was held in the Assembly Committee on Appropriations.*

AB 1078 (Patterson, 2022) — would have extended the exemption established by AB 178 (see below) for one year, until January 1, 2024. *This bill was vetoed by the Governor.*

AB 178 (Dahle, Chapter 259, Statutes of 2019) — exempted, until January 1, 2023, residential construction from complying with the solar requirements in the recently adopted building standards when the construction is in response to a disaster in an area in which a state of emergency has been proclaimed by the Governor.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, July 9, 2025.)

SUPPORT:

Abundant Housing LA
California Apartment Association
California Yimby
Cdp Rural Caucus
Circulate San Diego
Housing Action Coalition
Housing Trust Silicon Valley
Inner City Law Center
Institute for Responsive Government Action
Midpen Housing
Sola Impact
Spur

OPPOSITION:

New Livable California

-- END --