

CONSENT

Bill No: SB 1072
Author: Committee on Housing
Amended: 4/28/26
Vote: 21

SENATE HOUSING COMMITTEE: 10-0, 4/21/26
AYES: Arreguín, Seyarto, Cabaldon, Caballero, Cortese, Durazo, Gonzalez,
Grayson, Ochoa Bogh, Padilla

SENATE REVENUE AND TAXATION COMMITTEE: 5-0, 4/22/26
AYES: McNerney, Alvarado-Gil, Ashby, Becker, Grayson

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SUBJECT: Housing omnibus

SOURCE: Author

DIGEST: This bill makes technical, non-controversial changes to sections of state law regarding housing.

ANALYSIS:

This bill makes technical, non-controversial changes to sections of state law regarding housing. This bill includes the following provisions, with the proponent of each provision noted at the end in brackets:

- 1) *Regional Housing Needs Allocation (RHNA) [SEC 1]*. AB 2430 (Wiggins, Chapter 358, Statutes of 2000), extended authority originally established by AB 3452 (V. Brown, Chapter, 1018, Statutes of 1996), which allowed Napa County to transfer up to 15% of its low-income housing allocation in prior housing element cycles to incorporated cities within the county, allowing the county to zone for fewer units of low-income housing. The authority extended by this statute effectively ended in 2007, while the statutory provisions in this code section are no longer applicable, they remain codified. This proposal would

remove this defunct section (Section 65584.6 of the Government Code) from Housing Element Law. [Senate Housing Committee]

- 2) *Housing Element Cycles [SEC 2]*. This proposed change would convert all 5-year Housing Element (HE) cycle regions to an 8-year HE cycle. The shorter five-year cycle creates a burden on smaller jurisdictions to complete the HE more frequently. Additionally, the disjointed cycle causes changes in statute and process to flow unevenly. The proposal would convert all these jurisdictions to an eight-year cycle for the 8th and subsequent RHNA cycles. While the current five-year regions would normally have their 8th cycle HE due date in 2029, this proposal would delay the 8th cycle until 2032. [Department of Housing and Community Development (HCD)]
- 3) *Preservation Notice Law (PNL) [SEC 3 & 4]*. Proposed changes to PNL provide clarity to requirements that have been vague within the law. [HCD]
- 4) *Affordable Housing and High Roads Jobs Act (AB 2011) [SEC 5 & 6]*. AB 2011 sets forth various criteria for a housing development project to qualify for streamlined ministerial review. Some of the criteria pertain to the property on which the project will be developed, while others pertain to the project itself. The statute inadvertently references the property when the subsequent subparagraphs refer to requirements for the development project. A technical change would correct this mis-reference by changing “property” to “development project.” Another provision corrects an incorrect cross reference. [Student Homes Coalition]
- 5) *Housing Crisis Act [SEC 7]*. SB 940 (Beall, Chapter 201, Statutes of 2019) temporarily provided the City of San Jose with flexibility in complying with the no net loss requirements of the Housing Crisis Act (HCA). The additional flexibility for the city expired in January of 2023. The HCA originally included a sunset date of 2025, and the expired flexibility provided to San Jose would have naturally been removed from the code at that point. The HCA was extended in 2021 and made permanent in 2025, however the now expired authority for San Jose remains embedded in statute. This proposal would remove the now defunct language from the HCA. [Senate Housing Committee]
- 6) *Low Income Housing Tax Credit (LIHTC) [SEC 8, 13, 14, & 15]*. Proposed changes would make conforming changes included in H.R.1 to: (1) reflect the 25% test (as opposed to 50% test) in its reference to IRC Section 42, (2) make clearer the amount of credit a project can take each year, (3) fix a mistaken cross reference, and (4) clarify that special needs projects receiving both federal boosted credits (130% of eligible basis) and state credits are not located in a

DDA or QCT but rather designated as a DDA or QCT, as specified. Other changes would clarify that a farmworker includes individuals that were agricultural employees prior to retirement or disability, consistent with HCD's definition of farmworker in their funding programs. This will better align HCD programs with the state tax credit program. [California Tax Credit Allocation Committee and California Debt Limit Allocation Committee]

- 7) *Department of Housing and Community Development (HCD) Annual Reporting [SEC 9]*. Proposed changes would remove the duplicative National Housing Trust Fund requirements in statute that govern HCD's annual reporting. This change would reduce reporting burden without changing the reporting that would need to be done due to existing federal requirements, thus creating efficiencies, freeing up personnel resources, and saving money. [HCD]
- 8) *Federal Housing Trust Fund [SEC 10]*. The Senate Transportation and Housing Committee was split in 2018 into two separate committees: the Senate Transportation Committee and the Senate Housing Committee. HSC Section 50676, related to federal housing trust funds that are allocated to HCD, contains an outdated reference to the Senate Transportation and Housing Committee. This proposal would refer instead to the Senate Housing Committee. [Senate Housing Committee]
- 9) *Community Development Block Grant Program [SEC 11 & 12]*. Proposed changes would remove any references to Small Cities for the Community Development Block Grant (CDBG) program to clean-up outdated verbiage that no longer aligns with federal law. [HCD]

Comments

Bills, bills, bills. According to the Legislative Analyst's Office, the cost of producing one bill in 2001-2002 was \$17,890, which, adjusted for inflation, is now roughly \$33,000. The purpose of the Senate Housing Omnibus is to make technical, non-controversial changes to sections of state law regarding housing in one bill. This allows the Legislature to make changes to statutes in one bill in a cost-effective manner. If there is no consensus on a particular item, it cannot be included. There is no known opposition to any item in this bill.

Related/Prior Legislation

AB 1529 (Assembly Committee on Housing & Community Development, Chapter 203, Statutes of 2025) – made technical, non-controversial changes to sections of state law relating to housing.

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

SUPPORT: (Verified 5/11/26)

None received.

OPPOSITION: (Verified 5/11/26)

None received.

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