
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1122 (Arreguín) - Planning and zoning: annual progress report: accessory dwelling unit ordinances

Version: April 20, 2026

Urgency: No

Hearing Date: May 4, 2026

Policy Vote: HOUSING 9 - 0

Mandate: Yes

Consultant: Mark McKenzie

Bill Summary: SB 1122 would require a city or county that has an accessory dwelling unit (ADU) ordinance to submit specified information about that ordinance as part of their housing element annual progress report (APR).

Fiscal Impact:

- HCD estimates costs to implement this bill would be in the hundreds of thousands of dollars. Specific workload would include updating the APR form and related technical assistance materials, providing technical assistance directly to local governments and other stakeholders, developing one-time enhancements to the HCD Connect database and existing related reports, and responding to new report requests. Based on previous similar bills that required new information to be reported on the APR, staff estimates one-time costs of approximately \$100,000 to update APR forms and make necessary IT changes to account for the new data, and ongoing costs of \$230,000 for staff resources to manage the other workload. Staff notes that costs directly attributable to this bill could be lower than these estimates to the extent that multiple APR-related bills are enacted. See Staff Comments. (General Fund)
- Unknown, likely minor local costs for cities and counties to include additional information in their APRs about ADU ordinances. These costs are not state-reimbursable because local agencies have general authority to charge and adjust planning and permitting fees to cover their administrative expenses associated with new planning mandates. (local funds)

Background: Existing law requires cities and counties to prepare a general plan comprised of seven mandatory elements, including a housing element that includes an identification of existing and projected housing needs. The housing element must include an inventory of land suitable for residential development, which is used to identify sites that can be developed for housing within the planning period that is sufficient to meet the regional housing needs for all income levels. Housing elements must be updated every eight years in urban areas, and every five years in more rural areas.

Existing law requires each city and county to submit an APR to HCD and the Governor's Office of Land Use and Climate Innovation (LCI) by April 1 of each year that includes specified information relating to the status and progress of implementing the general plan, including steps taken to meet the jurisdiction's share of regional housing needs pursuant to its housing element. Among this information, cities and counties must

report zoning and rezoning information, specified information regarding density bonuses granted, the number of housing development applications received in the prior year and the number of proposed units included in those developments, the number of units approved and disapproved in the prior year, the number of housing units that were demolished in the prior year, and the net number of new housing units issued a completed entitlement, building permit, or certificate of occupancy in the housing element cycle, and the income category of each unit.

Existing law authorizes cities and counties to adopt ADU ordinances that are consistent with state law. Local ordinances may expand and elaborate upon provisions in ADU law, but they cannot conflict with statutory requirements. Local agencies that elect to adopt an ordinance must submit it to HCD for review within 60 days of adoption. If HCD finds that a local agency's ordinance does not comply with ADU law, the local agency has 30 days to respond to HCD's findings. Existing law requires that the local agency either amend the ordinance to comply with ADU law or adopt a resolution explaining the reasons the local agency believes that the ordinance is legally compliant. HCD may notify the Attorney General if it believes a local agency's ADU ordinance is in violation of state law.

Proposed Law: SB 1122 would require a city or county that has an ADU ordinance to include on its APR the code section where that ordinance is located and the date the ordinance was enacted or most recently updated.

Related Legislation: There are a number of bills moving through the Legislature that would require local agencies to report additional information on their APRs, including SB 1116 (Caballero), which is pending in this Committee, and AB 1567 (Ta), AB 1738 (Carrillo), and AB 2356 (Bonta), all three of which are pending in the Assembly Appropriations Committee.

Staff Comments: HCD estimates that total costs to implement this bill, combined with several others, would be in the hundreds of thousands of dollars. Based on the projected fiscal impacts provided for several bills last year that added new requirements to the APR, staff estimates that HCD may need 1.0 PY of new staff, at a cost of approximately \$230,000 annually, to collect, validate, and store two new data points on local agency ADU ordinances in their APRs, and to provide technical assistance to local governments. HCD also previously estimated one-time costs of approximately \$100,000 to make changes to the APR form and make IT changes to the HCD Connect database to accommodate new data elements. HCD notes that there are multiple bills pending in the Legislature that would revise the information that local agencies incorporate into their APRs, including this bill, all of which would create ongoing staff workload for HCD's Data and Innovation Unit for new data collection and coordination with local agencies, as well as one-time costs to make changes to the APR form and IT systems. Any ongoing staffing needs and one-time resources necessary for database and form updates should be sufficient to accommodate the workload associated with all of those bills. As such, staff notes that the costs directly attributable to this bill would likely only represent a portion of the one-time and ongoing costs noted above if all of the APR-related bills are enacted.