

SENATE THIRD READING  
SB 9 (Arreguín)  
As Amended June 19, 2025  
Majority vote

## SUMMARY

Specifies that a local ordinance implementing Accessory Dwelling Unit (ADU) Law is null and void if the local agency adopting the ordinance fails to submit a copy of the ordinance to the Department of Housing and Community Development (HCD) or if the local agency has not responded to HCD's findings that the ordinance is not compliant.

## COMMENTS

*California's Housing Crisis:* California's housing crisis is a half-century in the making.<sup>1</sup> After decades of underproduction, supply is far behind need and housing and rental costs are soaring. As a result, millions of Californians must make hard decisions about paying for housing at the expense of food, health care, child care, and transportation, directly impacting the quality of life in the state.<sup>2</sup> One in three households in the state doesn't earn enough money to meet their basic needs.<sup>3</sup> In 2024, over 187,000 Californians experienced homelessness on a given night.<sup>4</sup>

To meet this housing need, HCD determined that California must plan for more than 2.5 million new homes, and no less than one million of those homes must be affordable to lower-income households, in the 6<sup>th</sup> Regional Housing Needs Allocation (RHNA) cycle. By contrast, housing production in the past decade has been under 100,000 units per year – including less than 10,000 units of affordable housing per year.<sup>5</sup>

The state's housing crisis is not equally experienced by all Californians. Testimony by the UC Berkeley Turner Center to this Committee showed that the impacts of the housing crisis are significantly more severe for lower-income individuals, single-earner households, Black and Latino Californians, younger and older populations, and those who reside in, or aspire to live and work in, the state's highest-cost regions.<sup>6</sup>

*ADUs as a Solution:* Recently, there has been a national trend toward allowing more "gentle density," such as ADUs, duplexes, fourplexes, townhomes, and other moderately dense housing types that were common before zoning restrictions took hold. ADU Law was amended 26 times from 2016 to 2024, allowing ADUs by right on all residentially zoned parcels in California. These pieces of legislation established statewide standards for ADU setbacks, height limits,

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<sup>1</sup> California Department of Housing and Community Development, *A Home for Every Californian: 2022 Statewide Housing Plan*. March 2022, <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

<sup>2</sup> IBID.

<sup>3</sup> IBID.

<sup>4</sup> U.S. Department of Housing and Urban Development, Point in Time Counts.

<https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>

<sup>5</sup> <https://www.hcd.ca.gov/policy-research/housing-challenges.shtml>

<sup>6</sup> UC Berkeley Turner Center Testimony by Ben Metcalf, Managing Director, at the State Housing Production Legislation: Actions, Outcomes, and Opportunities Informational Hearing, February 12, 2025

square footage, and other land use regulations, regardless of local zoning. ADUs are now required to be reviewed within 60 days by local governments through a streamlined, ministerial process. By permitting attached ADUs, detached ADUs, and junior ADUs (JADUs) on all residential lots, these and other laws have facilitated the construction of "missing middle" housing in exclusionary single-family zones and across all residential neighborhoods in the state.

Taken together, these reforms have created a fast, predictable, uniform, and enforceable approval process for ADUs statewide. As a result, ADUs have gone from representing less than 1% of new housing construction before 2017 to approximately 20% today, with more than 23,000 ADUs legally completed in 2023.<sup>7</sup> Their numbers are expected to continue growing as the ADU construction and financing industry matures, helping meet an estimated market potential of 1.8 million units in California.<sup>8</sup> Because ADUs are not dependent on state funding allocations, they are poised to remain a significant and growing part of the state's new housing stock.

*ADU Ordinances:* ADU Law allows local agencies to adopt ADU ordinances that are consistent with state ADU Law. Local ordinances may expand and elaborate upon provisions in ADU Law, but they cannot conflict with the requirements of ADU Law. If a local ADU ordinance conflicts with the requirements of state ADU Law, state ADU Law supersedes any conflicting requirements. Local governments making timely updates to local ADU ordinances to comply with changes to state ADU Law, as they are enacted, is imperative to ensuring that laws passed by the Legislature are implemented correctly at the local level.

Local governments that elect to adopt an ADU ordinance must submit the ordinance 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 technical findings. ADU law requires that the local agency either: A) amend the ordinance to comply with ADU law, or, B) adopt a resolution explaining the reasons the local agency believes that the ordinance complies with ADU Law. HCD notes that of the technical assistance letters it has issued on ADU ordinances, eight jurisdictions failed to respond to its findings within the 30-day timeframe allotted in statute. While local agencies need time to update their ordinances, the law contemplates that this will be accomplished through timely consultation with HCD. Failure to oblige these timeframes frustrates the intent of the law and can lead to the enforcement of unlawful ordinances. Under current law, HCD may notify the Attorney General if it believes a local agency's ADU ordinance is in violation of state ADU Law.

This bill would specify that if a local government does not follow the statutory timeframes and protocols for ADU ordinance updates, including submitting the ordinance to HCD for review and responding to HCD's findings, any locally adopted ADU ordinance shall be null and void. As such, if the timeframes are not followed, the local government must review ADU proposals solely for compliance with state ADU Law, and not any additional local standards, unless and until the agency adopts an ordinance that complies with the provisions of state ADU Law. In doing so, it seeks to incentivize local governments to update their ordinances in a timely manner and submit their ordinances to HCD for proper review and approval. This could have the effect

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<sup>7</sup> Per HCDs "APR Dashboard" <https://www.hcd.ca.gov/planning-and-community-development/housing-open-data-tools/housing-element-implementation-and-apr-dashboard>. Complete data for 2023 will be made available by June 30, 2024. This statistic relies on data pulled on May 28, 2024.

<sup>8</sup> Monkonnen et al, 2020, *One to Four: The Market Potential of Fourplexes in California's Single-Family Neighborhoods*, UCLA Working Paper Series: <https://www.lewis.ucla.edu/research/market-potential-fourplexes/>

of increasing compliance with ADU Law and ensuring local ordinances are updated and implemented in a timely manner.

**According to the Author**

"The legislature was clear when they required ministerial approval for ADU development and disallowed local governments from adding onerous requirements for development. ADU's now make up 1 in 5 new homes constructed in the state. Despite this, some local governments have enacted ordinances that run counter to state law. Additionally, when HCD provides guidance around enacted ordinances, some local governments have not been responsive to that state guidance.

SB 9 would remedy this situation by adding enforcement power to existing law. Local governments are already required to submit any ADU ordinance to HCD within 60 days after adoption and to respond to HCD guidance within 30 days. SB 9 would add to that requirement by stating that failure to notify or respond to HCD would result in the ordinance becoming null and void and would revert standards for ADU development to state law. This will ensure that state ADU law is implemented fairly and consistently across the state so that these affordable units can be built in our communities."

**Arguments in Support**

California YIMBY, the bill sponsor, writes in support: "SB 9 strengthens enforcement of state ADU laws by creating a clear accountability mechanism. If a local agency fails to submit its ADU ordinance within 60 days of adoption—or fails to respond to HCD's findings of noncompliance within 30 days—the ordinance becomes null and void. The city or county must then apply default state standards until a compliant ordinance is adopted."

**Arguments in Opposition**

None on file for current bill version.

**FISCAL COMMENTS**

None.

**VOTES**

**SENATE FLOOR: 28-4-8**

**YES:** Allen, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNERney, Menjivar, Niello, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

**NO:** Grove, Ochoa Bogh, Seyarto, Strickland

**ABS, ABST OR NV:** Alvarado-Gil, Archuleta, Cervantes, Choi, Dahle, Jones, Reyes, Valladares

**ASM HOUSING AND COMMUNITY DEVELOPMENT: 9-0-3**

**YES:** Haney, Patterson, Ávila Farías, Caloza, Garcia, Lee, Quirk-Silva, Wicks, Wilson

**ABS, ABST OR NV:** Kalra, Ta, Tangipa

**ASM LOCAL GOVERNMENT: 9-0-1**

**YES:** Carrillo, Hoover, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson

**ABS, ABST OR NV:** Ta

**UPDATED**

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