

Date of Hearing: April 23, 2025

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Juan Carrillo, Chair

AB 1308 (Hoover) – As Amended March 24, 2025

SUBJECT: Residential building permits: fees: inspections

SUMMARY: Allows applicants for specified residential building projects to contract with or employ a private professional provider to inspect permitted work if the county or city building department estimates a timeframe for the inspection that exceeds 30 days, or does not complete the inspection within 30 days. Specifically, **this bill:**

- 1) Provides that the provisions in 2) through 5), below, shall only apply to both of the following:
 - a) A new residential construction that contains at least 1 unit, but no more than 10 units, and has no floors used for human occupancy located more than 40 feet above ground level.
 - b) A residential addition to, or remodel of, an existing building that contains 1 to 10 dwelling units and has no floors used for human occupancy located more than 40 feet above ground level.
- 2) Requires, upon receiving a notice of completion of the permitted work, the building department of every city or county to provide the applicant with an estimated timeframe in which inspection of the permitted work will be completed. If the estimated timeframe exceeds 30 days, the applicant may contract with or employ at the applicant's own expense a private professional provider to inspect the permitted work for compliance with the other requirements imposed pursuant to State Housing Law or by local ordinances adopted pursuant to State Housing Law.
- 3) Allows the applicant to contract with or employ at the applicant's own expense a private professional provider to inspect the permitted work for compliance with other requirements imposed pursuant to State Housing Law or by local ordinances adopted pursuant to State Housing Law, if the building department has not conducted an inspection of the permitted work within 30 days of receiving a notice of completion of the permitted work.
- 4) Provides that, if a private professional provider performs the inspection, all of the following shall apply:
 - a) The private professional provider shall prepare an affidavit, under penalty of perjury, stating both of the following:
 - i) If the permitted work complies with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant State Housing Law.
 - ii) The private professional provider performed the inspection.
 - b) The applicant shall submit to the building department a report of the inspection. The report shall include all of the following:

- i) The affidavit described in a), above.
 - ii) If the permitted work does not comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law, the requirements for the permitted work to comply with the other requirements imposed pursuant to State Housing Law or the local ordinances adopted pursuant to State Housing Law.
 - iii) Additional information required by the building department.
- c) Within 14 days of receiving the report described in b), above, the building department shall consider the report and based on the report shall do either of the following:
- i) Issue a certificate of occupancy or equivalent final approval for the permitted work if the permitted work complies with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law.
 - ii) Notify the applicant in writing that the permitted work does not comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law, if the permitted work does not comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law. The notice shall specify the requirements for the permitted work to comply with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law.
 - d) Requires, if the building department does not issue a certificate of occupancy or equivalent final approval for the permitted work or notify the applicant within 14 days pursuant to c), above, the permitted work to be deemed compliant with the other requirements imposed pursuant to State Housing Law or local ordinances adopted pursuant to State Housing Law, and the certificate of occupancy or equivalent final approval for the permitted work to be deemed approved.
- 5) Allows, if the department notifies the applicant pursuant to c) ii), above, the applicant to do either of the following:
- a) Resubmit a notice of completion of the permitted work to the building department to inspect the permitted work.
 - b) Contract with or employ at the applicant's own expense a private professional provider to conduct the inspection. The inspection shall be subject to the timelines and requirements of 4), above.
- 6) Provides the following definitions:
- a) "Applicant" means a person who submits an application.
 - b) "Application" means an application for a residential building permit.
 - c) "Private professional provider" means any of the following who do not otherwise have a financial interest in the residential housing development project:

- i) A professional engineer licensed pursuant to the Professional Engineers Act, as specified.
 - ii) An architect licensed pursuant to the Architects Practice Act, as specified.
 - iii) A construction inspector, as defined in the California Building Standards Law.
 - iv) A plans examiner, as defined in the California Building Standards Law.
 - v) A building official, as defined in the California Building Standards Law.
- 7) Requires, if a governing body of any county or city, including a charter city, prescribes fees for a residential building permit as authorized by State Housing Law, the building department of the city or county to prepare a schedule of the fees for a residential building permit and post the schedule on the county's or city's internet website, and makes conforming changes.
 - 8) Reduces, from 60 days to 30 days, the time within which existing law allows a permittee to be entitled to reimbursement of permit fees if a local agency fails to conduct an inspection of permitted work for which permit fees have been charged.
 - 9) Provides that no reimbursement is required by this bill pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this bill or because costs that may be incurred by a local agency or school district will be incurred because this bill creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, or changes the definition of a crime, as specified.

EXISTING LAW:

- 1) Allows cities and counties to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws." It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public, including land use authority. (California Constitution, Article XI, § 7)
- 2) Establishes State Housing Law to assure the availability of affordable housing and uniform statewide code enforcement to protect the health, safety, and general welfare of the public and occupants of housing and accessory buildings. (HSC §§ 17910 - 17998.3)
- 3) Allows the governing body of any county or city, including a charter city, to prescribe fees for permits, certificates, or other forms or documents required or authorized by State Housing Law or rules and regulations adopted pursuant to State Housing Law, and prohibits these fees from exceeding the amount reasonably required to administer or process these permits, certificates, or other forms or documents, or to defray the costs of enforcement required by State Housing Law to be carried out by local enforcement agencies, as specified. (HSC § 17951)
- 4) Requires, if the local enforcement agency fails to conduct an inspection of permitted work for which permit fees have been charged pursuant to 3), above, within 60 days of receiving

notice of the completion of the permitted work, the permittee to be entitled to reimbursement of the permit fees. The local enforcement agency shall disclose in clear language on each permit or on a document that accompanies the permit that the permittee may be entitled to reimbursement of permit fees. (HSC § 17951)

- 5) Allows the governing body of a local agency to authorize its enforcement agency to contract with or employ a private entity or persons on a temporary basis to perform plan-checking functions, as specified. (HSC § 17960.1 § 19837)
- 6) Requires a local agency to contract with or employ a private entity or persons on a temporary basis to perform plan-checking functions upon the request of an applicant for specified structures where there is an “excessive delay” in checking the plans and specifications that are submitted as a part of the application. (HSC § 17960.1 § 19837)
- 7) Generally defines, for a residential building permit, “excessive delay” to mean the building department or building division of a local agency has taken more than 30 days after submitting a complete application to complete the structural building safety plan check of the applicant’s set of plans and specifications that are suitable for checking. “Residential building” means a one-to-four family detached structure not exceeding three stories in height. (HSC § 17960.1)
- 8) Generally defines, for a nonresidential permit for a building other than a hotel or motel that is three stories or less, “excessive delay” to mean the building department or building division of the local agency has taken more than 50 days after submitting a complete application to complete the structural building safety plan check of the applicant’s set of plans and specifications that are suitable for checking. (HSC § 19837)
- 9) Establishes the California Building Standards Commission (CBSC) within the Department of General Services, which requires CBSC to approve and adopt building standards and codify those standards in the California Building Standards Code. [Health and Safety Code (HSC) § 18930]
- 10) 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. [Government Code (GOV) § 65920 - 65964.5]
- 11) Establishes standards and requirements for local agencies to review post-entitlement phase permits, including time limits within which local agencies must either approve or disapprove these permits. (GOV § 65913.3)

FISCAL EFFECT: This bill is keyed fiscal and contains a state-mandated local program.

COMMENTS:

- 1) **Author’s Statement.** According to the author, “California faces a severe and worsening housing crisis, marked by a shortage of homes insufficient to meet the needs of all Californians. Delays in local government inspections for completed housing developments are listed as a significant roadblock in the housing production pipeline. Lengthy delays at this stage creates uncertainty for developers and increases costs for homeowners.

“AB 1308 addresses this critical administrative hurdle by allowing applicants to use third-party professionals to inspect a completed work if the local building department takes more than 30 days to conduct the inspection. This flexibility will further streamline and enhance the efficiency of the inspection process for small residential projects and will ensure that local governments remain focused on housing delivery while giving applicants a pathway to avoid unnecessary delays.”

- 2) **Background.** Planning for and entitling new housing is mainly a local responsibility. The California Constitution allows cities and counties to “make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws.” It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public – including land use authority. Cities and counties enforce this land use authority through zoning regulations, such as the allowable density and height for a project, parking requirements, and setbacks. Cities and counties also enforce this land use authority through their control of the entitlement process, which is the process by which the city or county grants permission for a proposed housing development to be built.

Existing state laws, including the Permit Streamlining Act, the Housing Accountability Act, and the Housing Crisis Act of 2019, establish parameters for the entitlement process. These parameters are designed to ensure that public agencies act fairly and promptly on applications for housing development proposals. These laws require public agencies to compile lists of information that applicants must provide, and explain the criteria they will use to review permit applications. Once a developer has submitted a complete application for development, these laws require that the project be subject only to the ordinances, policies, and standards adopted and in effect at the time of the application, and require local officials to act within a specific time period after completing any environmental review documents required under the California Environmental Quality Act.

- 3) **Post-entitlement.** A development proposal that is approved and entitled by a local agency must also obtain approval of objective permits associated with the development proposal. This ensures the proposal is compliant with state and local building codes and other measures that protect public health, safety and the environment. Post-entitlement phase permits include permits to prepare the site for new development, including demolition permits and grading permits. Post-entitlement phase permits also include all the building permits for the new construction. This stage of the review process is often ministerial, as these postentitlement permits are typically objective in nature. Generally, once a local agency invests the time and effort to approve and entitle a development proposal, there is an incentive for the agency to process the postentitlement permits in a timely fashion.

AB 2234 (Robert Rivas), Chapter 651, Statutes of 2022, established parameters for a local agency’s review of non-discretionary post-entitlement phase permits, including requiring a local agency to determine whether an application for a post-entitlement building permit is complete within 15 days of the agency receiving the application. Post-entitlement building permits must be approved by local agencies within 30 days for small housing development projects and 60 days for large housing development projects.

AB 1114 (Haney), Chapter 753, Statutes of 2023, expanded the postentitlement permits subject to the expedited review process and timelines established by AB 2234 to include all building permits and other permits issued under the California Building Standards Code, or any applicable local building code for the construction, demolition, or alteration of buildings, whether discretionary or nondiscretionary.

- 4) **Building Codes.** The California Building Standards Code contains building standards and regulations as adopted by the 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. 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 the building.

Existing law requires the building department of every city or county to enforce the provisions of the State Housing Law, the California Building Standards Code, and the other specified rules and regulations promulgated pursuant to the State Housing Law.

- 5) **State Housing Law and Permit Fees.** In 1962, the Legislature enacted State Housing Law, which provides requirements and procedures for uniform statewide code enforcement to protect the health, safety, and general welfare of the public and occupants of housing and accessory buildings. Among other things, State Housing Law delegates responsibility to state administrative agencies for the adoption of building standards, applies state building codes uniformly, and directs local agencies' administration of code enforcement.

State Housing Law allows the governing body of any county or city to prescribe fees for permits, certificates, or other forms or documents required to comply with State Housing Law. These fees must not exceed the amount reasonably required to administer or process these permits, certificates, or other forms or documents, or to defray the costs of enforcement of State Housing Law that local enforcement agencies must carry out.

State Housing Law specifies that, if a local enforcement agency fails to conduct an inspection of permitted work for which permit fees have been charged within 60 days of receiving notice of the completion of the permitted work, the permittee is entitled to reimbursement of the permit fees. The local enforcement agency must disclose in clear language on each permit or on a document that accompanies the permit that the permittee may be entitled to reimbursement of permit fees.

- 6) **Bill Summary.** This bill allows applicants for specified residential building projects to hire a private professional provider to inspect permitted work if the county or city building department estimates a timeframe for the inspection that exceeds 30 days, or does not complete the inspection within 30 days. This bill defines private professional providers to mean any of the following who do not otherwise have a financial interest in the residential housing development project:

- a) A professional engineer licensed pursuant to the Professional Engineers Act, as specified.
- b) An architect licensed pursuant to the Architects Practice Act, as specified.
- c) A construction inspector, as defined in the California Building Standards Law.
- d) A plans examiner, as defined in the California Building Standards Law.
- e) A building official, as defined in the California Building Standards Law.

This bill requires the private professional provider to prepare a specified affidavit, under penalty of perjury, and requires the applicant to submit to the building department a report of the inspection that includes the affidavit and additional specified information. Within 14 days of receiving the report, the building department must do either of the following:

- a) Issue a certificate of occupancy or equivalent final approval if the permitted work complies with State Housing Law or local ordinances adopted pursuant to State Housing Law.
- b) Notify the applicant that the inspection does not comply with State Housing Law or local ordinances adopted pursuant to State Housing Law, and specify the requirements to comply.

If the building department does not complete these requirements within 14 days, the permitted work must be deemed compliant and the certificate of occupancy or equivalent final approval must be deemed approved.

This bill authorizes an applicant to resubmit an inspection to the building department or hire a private professional provider to conduct the inspection pursuant to the timelines in the bill for the first inspection process.

The provisions outlined above apply only to the following types of projects:

- a) A new residential construction that contains at least 1 unit, but no more than 10 units, and has no floors used for human occupancy located more than 40 feet above ground level.
- b) A residential addition to, or remodel of, an existing building that contains 1 to 10 dwelling units and has no floors used for human occupancy located more than 40 feet above ground level.

This bill also requires counties and cities that prescribe fees for residential building permits to prepare a schedule of the fees and post the schedule on their websites.

This bill also reduces, from 60 days to 30 days, the time within which existing law allows a permittee to be entitled to reimbursement of permit fees if a local agency fails to conduct an inspection of permitted work for which permit fees have been charged

This bill is sponsored by California YIMBY.

- 7) **Policy Considerations.** The Committee may wish to consider the following:
- a) **Permit Fee Reimbursement.** Existing law allows a permittee to be entitled to reimbursement of permit fees if a local agency fails to conduct an inspection of the permitted work within 60 days. This bill reduces this time period to 30 days. This bill also allows an applicant to hire a private professional provider to conduct the inspection if a local agency does not inspect the work within 30 days, or *estimates a time frame to perform the inspection* that exceeds 30 days. In effect, this bill could allow an applicant to privately hire an inspector to perform the inspection before this 30-day timeframe runs out and then be entitled to reimbursement for permit fees – some of which may not be associated with the inspection. The Committee may wish to consider if this bill inadvertently provides a perverse incentive for applicants to “jump the gun” on inspections in order to recoup on permit fees. Furthermore, because this bill explicitly allows a private professional provider to perform the inspection (instead of the local agency), the Committee may wish to consider if this bill should be clarified to provide that permittees are not entitled to reimbursement of permit fees if they use the provisions of this bill and a private professional provider performs the inspection instead of the local agency.
 - b) **Who is Inspecting?** This bill allows a plans examiner to conduct inspections. According to the definitions in this bill, a plans examiner means “any person who is hired or contracted by a local agency in a temporary or permanent capacity for the purpose of performing *construction plan review* for structural, seismic safety, fire and life safety, or building system requirements of adopted uniform codes or standards, as applied to residential, commercial, or industrial buildings.” (emphasis added) This typically occurs prior to construction, and involves tasks that are different from an inspection. Inspections are not typically performed by plans examiners. The Committee may wish to consider if plans examiners should be allowed to perform inspections under the provisions of this bill.
- 8) **Committee Amendments.** In order to address the policy considerations outlined above, the Committee may wish to consider amending this bill as follows:
- a) Strike the provision in the bill that changes the timeline for a permittee to be entitled to reimbursement of permit fees if a local agency fails to conduct an inspection, and clarify that a permittee is not entitled to reimbursement of permit fees if they use the provisions of this bill and a private professional provider performs the inspection instead of the local agency.
 - b) Strike the provision in the bill that allows plans examiners to be a private professional provider who is allowed to perform inspections.
- 9) **Related Legislation.** AB 253 allows an applicant for specified residential building permits to contract with or employ a private professional provider to check plans and specifications if the county or city building department estimates a timeframe for this plan-checking function that exceeds 30 days, or does not complete this plan-checking function within 30 days. AB 253 is pending in the Senate.

AB 660 (Wilson) makes a number of changes to law governing the approval and issuance of postentitlement phase permits and the provision of services for housing development projects by counties, cities and special districts. AB 660 is pending in this committee.

AB 1007 (Blanca Rubio) expedites timelines for approval or disapproval by a public agency acting as the “responsible agency” for residential and mixed-use development projects. AB 1007 is pending in the Assembly Housing and Community Development Committee.

- 10) **Previous Legislation.** AB 2433 (Quirk-Silva) of 2024 would have required a local agency that has not completed plan-checking services within 30 business days of receiving a completed application for a building permit to complete plan-checking services and issue or deny a building permit within specified time frames, upon request by the applicant for the building permit. AB 2433 was held in Senate Local Government Committee.

AB 3012 (Grayson), Chapter 752, Statutes of 2024, required cities and counties to make available on their internet websites a fee estimate tool that the public can use to calculate an estimate of fees and exactions for a proposed housing development, and required the Department of Housing and Community Development to create a fee schedule template and a list of best practices, as specified.

AB 281 (Grayson and Robert Rivas), Chapter 735, Statutes of 2023, required special districts to comply with specified timeframes, similar to those for cities and counties, when reviewing and approving postentitlement phase permit applications from housing developers.

AB 1114 (Haney), Chapter 753, Statutes of 2023, expanded the scope of postentitlement phase permits subject to mandated processing timelines and other requirements to include discretionary permits.

AB 2234 (Robert Rivas), Chapter 651, Statutes of 2022, required local agencies to process non-discretionary permits within 30 days for small housing development projects and 60 days for large housing development projects.

- 11) **Arguments in Support.** California YIMBY, sponsor of this bill, writes, “California faces a severe housing crisis; marked by a shortage of homes to meet the needs of Californians at all income levels. Burdensome regulations and high costs contribute to this shortage. One often overlooked barrier to housing production is the delay in local government inspections of completed housing developments. In California, these inspections occur after permitted work is completed and are required before a developer can receive a certificate of occupancy to lease or sell the home to future residents.

“Local building departments are responsible for conducting inspections to ensure compliance with state building codes and local ordinances. However, these departments often experience fluctuating workloads and resource constraints, leading to inspection delays. Such delays can leave completed homes sitting vacant, preventing families from moving in. They also introduce uncertainty into the construction process, making it harder for developers to plan effectively.

“AB 1308 will streamline the home building process by allowing builders to hire third-party inspectors if the local government cannot conduct the inspection within 30 days of the

completion of construction. AB 1308 also requires the local government to review the third party report and provide final approval within 14 days, bringing new homes online faster.”

12) **Arguments in Opposition.** None on file.

13) **Double-Referral.** This bill is double-referred to the Housing and Community Development Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

California YIMBY [SPONSOR]
Abundant Housing LA
Fremont for Everyone
Housing Trust Silicon Valley
Redlands Yimby
South Pasadena Residents for Responsible Growth
The Two Hundred

Opposition

None on file

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