

HOUSING, COMMUNITY, AND ECONOMIC DEVELOPMENT POLICY COMMITTEE Legislative Agenda

Staff: Brady Guertin, Legislative Affairs Lobbyist Waleed Hojeij, Legislative Affairs and Policy Analyst

1. <u>AB 306</u> (Schultz) Building regulations: state building standards.

Bill Summary:

This measure would put a six-year moratorium on state and local building standards unless the regulations address a small set of specific issues beginning in June 2025 and ending in June 2031.

Bill Description:

Specifically, AB 306 would:

- Impose a six-year moratorium from June 1, 2025, until June 1, 2031, on adopting or modifying state and local building standards affecting residential units.
- The following building standards would be exempt from the law:
 - Emergency standards to protect health and safety.
 Building standards related to home hardening and are proposed for adoption by the Office of the State Fire Marshal.
 - Addressing single-exit, single-stairway apartment homes.
 - Address adaptive reuse residential projects.
 - Address water efficiency in new buildings.
- Prohibits a local agency from making changes or modifications to building standards affecting residential units, including green building standards unless the following conditions are met:
 - The changes or modifications are substantially equivalent to changes or modifications previously filed by the local government that were in effect as of January 1, 2025.
 - The California Building Standards Commission deems those changes or modifications necessary as emergency standards to protect health and safety.
 - The changes or modifications are related to home hardening.
 - The building standards relate to home hardening and are proposed for adoption by a fire protection district pursuant to existing provisions governing the proposal of new standards by fire protection districts.

Background: Title 24 of California's Code of Regulations, also known as the California Building Standards Code, is adopted every three years by multiple state agencies and focuses on what regulations construction must comply with to get a permit approved for a residential development project. The standards in Title 24 cover a variety of issues, including health and safety regulations for new and existing construction, green residential building standards such as solar energy system requirements or electric vehicle charging stations, and other necessary standards that developments must follow to promote public health and safety in the built environment. Local governments are tasked with adopting the building codes locally and may pass more stringent regulations than state law if the local government chooses. These local standards or "reach codes" must get approval from the California Building Standards Commission before implementation.

Building standards undergo a rigorous public review process at the state level every three years, including 18 months of public hearings, feedback, and discussion with the public and construction industry experts. The experts involved in the rulemaking process include developers, engineers, architects, building officials, and other experts in building design and construction. In addition to robust public feedback and review, standards must have a cost-benefit analysis before approval to ensure they are feasible and not overly burdensome to development. Local governments adopt these regulations locally and can go further than the minimum regulations to address local climactic, geographic, or topographic conditions.

After standards are adopted at the state and local level, local building departments and their staff review new development projects for compliance with the most recent California Building Code regulations. These services are provided through inspection and service fees that can be no more than the cost of providing the service locally.

According to the author of AB 306, "This moratorium will bring more certainty to the home construction industry and help stem further construction cost increases, given the demand surge from the volume of homes and apartments that will need to be rebuilt in Los Angeles. Freezing the codes affecting residential construction will prevent further cost increases for new homes and apartments. Pausing further changes will also allow the current contractor workforce and local building officials to absorb the newest code requirements and have certainty that they will remain in place for six years such that they will not have to take time to relearn and reconfigure certain practices every 18-to-36 months."

Existing Cal Cities Policy:

Building Standards

Cal Cities supports flexibility in the adoption and implementation of health and safety standards contained in the building codes. Statutes should maximize local control over standards applying to local conditions. Cal Cities opposes new standards imposed by statute rather than regulation. Cal Cities opposes attempts to have multiple state agencies develop specific or subject-related building standards. New building standards should be proposed through the California Standards Commission. Cal Cities supports authorizing cities to adopt independent occupancy standards to prevent overcrowding and associated health and safety hazards, including fire-related fatalities.

Green Building Guidelines

Cal Cities encourages state agencies to provide leadership in developing voluntary, model statewide residential green building guidelines that will provide information to local jurisdictions on how to evaluate and use different green building strategies. Additionally, Cal Cities encourages cities to adopt voluntary residential green building guidelines as a reference guide, to evaluate available green building programs and adopt those best suited for their communities, and to explore incentives to encourage green building by private developers of residential construction projects.

Energy and Water Conservation and Efficiency

Cal Cities encourages energy efficiency, water efficiency, and sustainable building practices in new and existing public, residential, and commercial buildings and facilities. This may include using the U.S. Green Building Council's LEED program or similar systems.

Fiscal Impact:

None

Staff Comments:

Historically, local governments and the state have exempted residential construction from building codes except when necessary to protect health and safety when rebuilding after a natural disaster such as a wildfire or flood. This measure would extend those protections statewide for all new construction during the next six years. Building codes add costs to development but also provide tools to help implement other state and local priorities, such as reducing greenhouse gas emissions, implementing new technological advancements, and responding to local climactic, geographic, or topographic conditions. It should be noted that the 2025 Building Code Regulations are currently working through the code adoption process this year. Local governments would be tasked with adopting the new regulations locally in January of next year under current law; however, should this bill get signed into law, local agencies would not need to adopt this year's regulations as the moratorium begins in June unless the new code proposals meet one of the exemptions listed in the measure.

Support:

American Planning Association, California Chapter California Apartment Association California Building Industry Association California Housing Consortium California Housing Partnership Corporation Valley Industry and Commerce Association

Opposition:

350 Bay Area Action
350 Conejo / San Fernando Valley
350 Humboldt
350 Marin
350 Sacramento
350 Southland Legislative Alliance
Acterra: Action for A Healthy Planet
Active San Gabriel Valley

Ban Sup (single Use Plastic) California building Officials California Solar & Storage Association California State Association of Electrical Workers California State Pipe Trades Council Carbon Free Palo Alto Carbon Free Silicon Valley Climate Action California Climate Action Campaign **Climate Action Petaluma** Climate Reality Contra Costa County Policy Action Sauad Climate Reality Project San Diego Climate Reality Project, California Coalition Climate Reality Project, Los Angeles Chapter Climate Reality Project, Orange County Climate Reality Project, San Fernando Valley Cool Petaluma **Design Avenues LLC** Elders Climate Action, NorCal and SoCal Chapters **Glendale Environmental Coalition** Greenbank Associates Habitable Designs Home Energy Analytics, INC. Leading Change Consulting and Coaching Marin Conservation League Marin/Sonoma Building Electrification Sauad Mothers Out Front California Mothers Out Front Silicon Valley Natural Resources Defense Council

Negawatt Consulting Peninsula Interfaith Climate Action Project Green Home Public Citizen **Resilient Palisades** San Diego Building Electrification Coalition San Francisco Baykeeper Sandiego350 Santa Cruz Climate Action Network SoCal 350 Climate Action Sonoma County Climate Activist Network Sustainable San Mateo County Third ACT SoCal Transformative Wealth Management LLC Trinity Respecting Earth and Environment (TREE) U.S. Green Building Council - Los Angeles Vector Green Power, LLC Western States Council Sheet Metal, Air, Rail and Transportation

Staff Recommendation:

Staff recommends the committee discuss AB 306 and make a recommendation to the Board.

Committee Recommendation:

Board Action: