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**SENATE COMMITTEE ON HOUSING**  
**Senator Scott Wiener, Chair**  
**2023 - 2024 Regular**

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**Bill No:** AB 1764 **Hearing Date:** 6/20/2023  
**Author:** Committee on Housing and Community Development  
**Version:** 4/18/2023  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Aiyana Cortez

**SUBJECT:** Housing omnibus

**DIGEST:** This bill makes several technical and clarifying changes to code sections pertaining to housing and community development.

**ANALYSIS:**

The Assembly Housing and Community Development Committee introduced this bill as an omnibus measure. Omnibus bills allow the Legislature to combine a number of minor, non-controversial, and technical changes to statutes in one bill. This allows for greater efficiency in the legislative process since it would otherwise be necessary to introduce each proposal as a standalone bill. Proposals can be submitted to the Committee for consideration in the omnibus by any organization or individual. Once proposals and relevant background information are submitted, all proposals are subsequently vetted by a stakeholder group that includes policy consultants from the majority and minority parties from both houses of the Legislature. If concerns are raised about a proposal that cannot be addressed by the sponsor that submitted the proposal, then it is not eligible for inclusion in the omnibus. All provisions of this bill have been reviewed by stakeholder group and there is no known opposition to the bill.

This bill makes non-controversial changes to sections of law relating to housing and community development. Specifically, this bill includes the following provisions, with the proponent of each provision noted in brackets:

- 1) *Clarification to California Building Code Cross-Reference:* Corrects a citation to the building standards code and a typo referencing an incorrect code section in Health and Safety Code (HSC) Section 17974.1. [Department of General Services]
- 2) *Report Streamlining:* The Department of Housing and Community Development (HCD) is statutorily mandated to submit various reports to the Legislature each year and many of those reports have competing deadlines that

HCD must track. Merging these efforts into the annual reporting process that is mandated under HSC Section 50408 will allow HCD to more efficiently provide information in one combined report under one annual deadline. [Assembly Committee on Housing and Community Development]

- 3) *60 Day Review Period Inconsistency for Housing Elements*: Under existing law, HCD has 90 days to review and provide findings for an initial submittal of a housing element and 60 days to review and provide findings for any subsequent drafts and adopted housing elements. This timeline was put into place in AB 215 (Chiu, Chapter 342, Statutes of 2021). Prior to AB 215, the Department had 60 days to review and provide findings for drafts and 90 days for review of adopted elements. Specifically, AB 215 amended Government Code section 65585(b)(3) to require the Department to review an adopted housing element in 60 days from receipt instead of 90 days. Inadvertently, the corresponding change was not also made to Government Code section 65585(h). Therefore, the provisions are now inconsistent in statute as the intended 60-day period is not outlined under Government Code section 65585(h). This bill corrects the timeline in (h) to reflect the 60 day review period in (b)(3). [Assembly Committee on Housing and Community Development]
- 4) *Technical Cleanup to SB 948 (Becker, Chapter 667, Statutes of 2022)*: Last year, SB 948 (Becker) prohibited HCD from requiring a project-specific transition reserve for any unit subject to a qualified project rental or operating subsidy. In defining a qualified project rental or operating subsidy, the bill specifically referenced “the local rental housing subsidy programs operated by the City and County of San Francisco and the City of Los Angeles.” The Flexible Housing Subsidy Pool program of Los Angeles County, as opposed to the City of Los Angeles, was the intended target of this language. This bill updates the language in HSC Section 50468(d)(3) to reference the correct local entity. [California Housing Partnership Corporation]
- 5) *Technical Cleanup to AB 2011 (Wicks), Chapter 647, Statutes of 2022*: This bill corrects two minor typos in AB 2011 (Wicks). The first converts the definition of “right of way” to the word “width” because the bill accidentally used the definition of right of way for when you have the right to enter an intersection when it was intended to measure street width. The second would correct a reference to a paragraph because the current reference is to the same paragraph it is in. [Bay Area Council]

- 6) *Manufactured Housing Sales Modification*: When selling a manufactured home, the retailer will enter into a sales contract with the consumer. Separately, the retailer will enter into a sales order contract with the manufacturer, who will then begin manufacturing the home as specified in the order from the retailer. HSC Section 18062.8(h) allows the sales contract between the consumer and retailer to serve as evidence of a sales order contract between a manufacturer and that retailer. Allowing a consumer/retailer contract to serve as evidence of an order between a manufacturer and retailer is nonsensical and does not reflect traditional contract law nor current practice. This bill deletes that provision of statute. [California Manufactured Housing Institute]
- 7) *Two Common Interest Development Technical Changes*: One change clarifies in Section 5105 that if an association disqualifies candidates pursuant to this section that it shall apply the same rules to directors. Current law is unclear on the whether an association can apply the same rules to existing directors seeking to run again. The second change relates to AB 502 (Davies, Chapter 517, Statutes of 2021). Section 2.5 of AB 502 (Davies) added Section 5103 to the Civil Code and includes (d)(2), a provision to disqualify a nominee that has served the maximum number of terms allowed by the association. By including this provision in Section 5103, it is only applicable when elections are done via acclamation. This bill moves this provision to Section 5105 so that it applies to all elections held by an association. [Community Associations Institute – California Legislative Action Committee]
- 8) *Outdated Reference*: The HSC 50091 definition of “Nonprofit housing sponsor” or “nonprofit corporation” has an outdated reference which can be confusing and needs to be deleted. The reference is to HSC Chapter 10, the old California Homeownership Assistance Program, which was last funded by 1979 legislation. [Jerry Rioux]

**COMMENTS:**

- 1) *Purpose of the bill*. The purpose of omnibus bills is to include technical and non-controversial changes to various committee-related statutes into one bill. This allows the legislature to make multiple, minor 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.
- 2) *Double-referral*. This bill has also been referred to the Senate Judiciary Committee.

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

**POSITIONS:** (Communicated to the committee before noon on Wednesday,  
June 14, 2023.)

**SUPPORT:**

California Housing Partnership Corporation

**OPPOSITION:**

None received.

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