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CBIA Updates 2021 Housing Killer and Creator Bill List

Home Builders Call on Legislature to Consider Impact on CA's Housing Crisis and Need for Housing For All

SACRAMENTO - The California Building Industry Association (CBIA) today announced the legislative status of bills identified as either a Housing Killer or a Housing Creator. Bills that have been designated Housing Killers make it harder and more expensive to build homes. Housing Creators help address California's housing crisis and make it easier to provide [Housing for All](#).

"We urge the Legislature to reject Housing Killer legislation that would make building homes cost prohibitive in California," said **Dan Dunmoyer, CBIA President and CEO**. "Our state is already one of the most expensive places to build new houses and housing prices are already at an all-time high. Homeownership rates are significantly lower for Black and Latino families compared to White families. Housing Killer legislation would have significant repercussions for low- and middle-income families that want to own a home and increase inequality in homeownership rates."

A recent study by the [UC Berkeley Turner Center for Housing Innovation](#) found that current homeownership rates are as inequitable as they were in the 1960s, when racially discriminatory housing laws were legal. According to the [California Housing Finance Agency](#), as of 2019, only 41% of Black families owned their homes compared to 68% of White families.

Housing Killer bills would add cost, time, and hurdles to home construction, increasing the already exorbitant cost of homes in California. CBIA calls on the Legislature to vote no on Housing Killer SB 727.

- **SB 727 (Levy)** - "Labor-related liabilities" - Creates a new right of action against general contractors for liabilities they did not cause and imposes punitive damages in excess of 15 times the actual damages. SB 727 will put homebuilders and other general contractors in the position of paying many times over for the same work, meanwhile failing to hold bad actors responsible for not paying their own employees. These overly punitive and redundant penalties will ultimately add unnecessary costs that will further exacerbate the current housing crisis and further limit homeownership for low- and middle-income families, expanding disparities in homeownership rates.

Several bills that were included in CBIA's 2021 Housing Killer list issued earlier this year have become two-year bills: SB 12, SB 55, SB 261, AB 377 and AB 1295. CBIA will continue to engage with the bills' authors and stakeholders to address concerns about proposals that would increase costs, delays, and hurdles to home construction and exacerbate the housing crisis.

California needs to produce 180,000 new homes annually, but production averaged less than 80,000 new homes annually over the last 10 years, according to the [California Department of Housing and Community Development](#). Despite a recent uptick in housing production, new home construction remains far below the projected need. [See rates of housing production in California from 2005-2019.](#)

“We applaud the legislators that have authored Housing Creator bills to help address the need for Housing For All,” Dunmoyer added. “These Housing Creators deserve to become law.” CBIA calls on the Legislature to pass and the Governor to sign three bills that will reduce barriers to home construction to help alleviate California’s housing crisis:

- **AB 571 (Mayes)** - “Density Bonus” - AB 571 would prohibit imposing a housing affordability fee on deed restricted affordable units, as they are intended to be affordable to low, very low and moderate-income families. AB 571 aids in addressing California’s racial homeownership gap by limiting costs associated with the construction of affordable housing units for prospective homebuyers to purchase.
- **AB 602 (Grayson)** - “Development Fees” - Addresses California’s housing shortage by reforming Impact Fees, or fees that are imposed by local governments on new or proposed development projects. AB 602 would standardize the process and procedural requirements, require nexus studies to conform with certain standards and best practices, and limit fees to existing levels of service and direct impacts.
- **SB 8 (Skinner)** - Housing Crisis Act of 2019 (HCA) - SB 8 is the extension of SB 330, which since its implementation in January of 2020 has helped expedite and facilitate affordable and market-rate construction. SB 8 will increase certainty and accountability to spur housing production in California. The bill also allows the success of SB 330 to continue for five additional years by extending SB 330’s provisions until 2030. SB 8 adds clarifying language to ensure that the bill’s original intent of streamlining the production of housing that meets the existing zoning rules of local jurisdictions is realized.

AB 460 and AB 1090, identified earlier this year as Housing Creators, have become two-year bills.

More information about the specific bills identified by CBIA as a Housing Killer or a Housing Creator is available at <https://cbia.org/housing-killers-creators/>.

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