



FOR IMMEDIATE RELEASE
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CBIA Urges Governor Newsom to Sign Two Housing Creator Bills and Veto Housing Killer SB 727

SACRAMENTO - Following the end of the 2021 legislative session, the California Building Industry Association (CBIA) called on Governor Gavin Newsom to use his pen to expand [#HousingForAll](#) by signing two Housing Creator bills and vetoing Housing Killer SB 727.

“California’s housing crisis remains a serious challenge, with high costs and limited housing stock preventing many middle- and low- income families from becoming homeowners. We commend the Legislature for taking action on several Housing Creator bills that will help make needed progress toward Housing For All,” said CBIA President and CEO, Dan Dunmoyer. “We urge Governor Newsom to sign AB 571 and AB 602, and we thank the authors of these measures for their thoughtful leadership on housing policy.”

AB 571 and AB 602, designated by CBIA as Housing Creators, were approved by the Legislature in the last week of the legislative session.

- AB 571, authored by Assemblymember Chad Mayes, would eliminate housing affordability fees on deed-restricted units. Affordability fees act as impediments to the very people for which affordable housing is intended to serve - low- to moderate-income households.
- AB 602, authored by Assemblymember Tim Grayson, would add transparency and accountability to Impact Fees, or fees that are imposed by local governments on new or proposed development projects, which often add excessive costs to housing construction, making homeownership cost prohibitive for many Californians.

SB 8, a third bill on CBIA’s Housing Creator list, was [signed into law by the Governor on Thursday](#).

CBIA strongly urges Governor Newsom to veto SB 727, authored by Senator Connie Leyva and designated by CBIA as a [Housing Killer](#). SB 727 would exacerbate California’s already dire housing crisis by creating a new right of action against general contractors for wage theft liabilities they did not create, and would impose 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 while failing to hold the actual bad actors responsible for not paying their own employees. These overly punitive and redundant penalties will ultimately limit housing production and add costs that will further exacerbate the current housing crisis, further limiting homeownership for low- and middle-income families and expanding disparities in homeownership rates.

“We are disappointed that the Legislature passed this flawed approach to addressing wage theft without including amendments that would have provided meaningful action to protect workers and focus on bad actors,” Dunmoyer added. “Since the Legislature missed the opportunity to improve SB 727, we strongly urge Governor Newsom to veto this Housing Killer. California needs policies that make it easier to achieve Housing For All, and should reject measures like SB 727 that will further exacerbate our state’s housing crisis by forcing home builders, particularly small business owners, out of business.”

More information about CBIA’s Housing Killer and Housing Creator criteria is available at <https://cbia.org/housing-killers-creators/>.

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