

Assembly Bill No. 2006

Passed the Assembly August 24, 2022

Chief Clerk of the Assembly

Passed the Senate August 23, 2022

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2022, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Chapter 9 (commencing with Section 50260) to Part 1 of Division 31 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL’S DIGEST

AB 2006, Berman. Regulatory agreements: compliance monitoring.

Existing law establishes the Department of Housing and Community Development in the Business, Consumer Services, and Housing Agency and makes the department responsible for administering various housing programs throughout the state, including, among others, the Multifamily Housing Program, the Housing for a Healthy California Program, and the California Emergency Solutions Grants Program. Existing law establishes the California Housing Finance Agency within the Department of Housing and Community Development, with the primary purpose of meeting the housing needs of persons and families of low or moderate income. Existing law establishes the California Tax Credit Allocation Committee, composed of specified members, and requires that the California Tax Credit Allocation Committee, among other things, allocate specified federal low-income housing tax credits, as provided.

This bill, on or before July 1, 2024, would require the Department of Housing and Community Development, the California Housing Finance Agency, and the California Tax Credit Allocation Committee to enter into a memorandum of understanding to streamline the compliance monitoring of affordable multifamily rental housing developments that are subject to a regulatory agreement with more than one of these entities. The bill would require the memorandum of understanding to ensure that only one entity conducts physical inspections for a particular project, eliminate the submission of duplicate information, and provide for an aligned process to obtain specified approvals.

The people of the State of California do enact as follows:

SECTION 1. Chapter 9 (commencing with Section 50260) is added to Part 1 of Division 31 of the Health and Safety Code, to read:

CHAPTER 9. COMPLIANCE MONITORING

50260. (a) On or before July 1, 2024, the Department of Housing and Community Development, the California Housing Finance Agency, and the California Tax Credit Allocation Committee shall enter into a memorandum of understanding to streamline the compliance monitoring of affordable multifamily rental housing developments that are subject to a regulatory agreement with more than one of these entities. The memorandum of understanding shall meet all of the following criteria:

(1) Ensure that only one entity conducts physical inspections for a particular project.

(2) Eliminate the submission of duplicate information.

(3) Provide for an aligned process to obtain required approvals for, including, but not limited to, reserve draws, ownership changes, property management changes, operating budgets, and capital needs assessments.

(b) Notwithstanding any provision in this chapter, any delegation of responsibility provided in the memorandum of understanding pursuant to subdivision (a) shall not constrain the regulating entity's obligations with third parties, performance of inspection standards, or ability to approve or deny any related process pursuant to paragraph (3) of subdivision (a).

Approved _____, 2022

Governor