

Senate Bill 543

ADU Clarity and Consistency

Senator Jerry McNerney (SD 5)

THIS BILL

During the past decade, the Legislature has passed numerous laws to address the state's housing affordability crisis. Many of the laws aimed to boost the construction of low-cost housing, especially accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs).

Today, ADUs and JADUs comprise [the fastest-growing sector](#) of California's housing market. However, with the addition of the new state laws, there has been confusion among some cities and counties regarding ADU permitting processes and requirements.

SB 543 is a clean-up bill that clarifies existing state laws for ADUs and JADUs to align with interpretations and guidance issued by the Department of Housing and Community Development (HCD).

ISSUE

To meet housing demand and boost affordability, California must build over [2.5 million homes by 2031](#), of which 1 million must be affordable for low- and very-low-income residents.

One of the most effective ways to address the state's housing affordability crisis is to accelerate the construction of more low-cost housing, like ADUs and JADUs. Also known as backyard cottages or "casitas," ADUs are detached units on residential property, while JADUs are attached to a home, such as an attached garage converted into living space.

A decade ago, California was permitting only about 800 ADUs per year. Now, thanks to a series of new laws designed to jumpstart the state's ADU market, California is permitting about [25,000 new ADUs and JADUs](#) each year.

However, some of the new state laws on ADUs and JADUs contain provisions that have led to confusion and conflicts among some cities and counties. HCD has circulated interpretations of these provisions in an effort to ensure the statutes are applied consistently across municipalities. Yet some local agencies have rejected these interpretations in favor of their own, resulting in conflicts over fee levels, permitting timelines, and other aspects of the homebuilding process. According to HCD, over 50 local governments have incorrectly applied state laws for ADUs and JADUs.

SB 543 cleans up existing state laws governing ADUs and JADUs to eliminate confusion and conflicts at the local level.

SOLUTION

SB 543 codifies multiple HCD permitting guidelines, including clarifying:

- That local governments have 15 business days to conduct an initial review of ADU permit applications, so homebuilders have time to fix errors in their application.
- Size, safety, and density standards for ADUs and JADUs.

SUPPORT

Casita Coalition (Sponsor)
California YIMBY

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