

CALIFORNIA LEGISLATURE—2025-2026 SIMULATION SESSION

SENATE BILL

NO 48

Introduced by Senator John Laird

October 1, 2025

An act to add Section 51500 to the Government Code, relating to affordable housing.

LEGISLATIVE COUNSEL’S DIGEST

SB 48, as introduced, Laird. The Housing Innovation Program.

Existing law authorizes the Department of Housing and Community Development to administer housing programs, including funding for construction and rehabilitation of housing for people who are homeless or at risk of being homeless. Existing law does not provide support for low to middle income households struggling with housing affordability.

This bill establishes the Housing Innovation Program. The Housing Innovation Program (HIP) would provide competitive grants to organizations that renovate vacant buildings into affordable housing for low- and middle-income households. The Department of Housing and Community Development will be responsible for the implementation, with an appropriation of \$20,000,000.

Vote: Majority Appropriation: Yes Fiscal Committee: Yes Local Program: Yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Existing Law

- (a) The Department of Housing and Community Development administers programs that aim to solve housing issues, primarily homelessness, in the state of California.
- (b) Existing law provides funding for projects aimed towards solving homelessness but does not provide competitive grants for organizations that aim to prevent the possibility of homelessness by renovating vacant buildings and sell or rent them to low- and middle-income households.
- (c) As a result, many units in California remain vacant while many Californians are facing housing insecurity.

SECTION 2. Definitions

- (a) **Low-Income Household:** Low-income households will be seen as 51 to 80 percent of the area median income, as determined annually by the HCD.
- (b) **Middle-Income Household:** Middle-income household will be seen as between 81 and 120 percent of the area median income, as determined annually by the HCD.

- (c) **Vacant Building:** Vacant buildings will be defined as any building that does not house any people and are clear of most, if not all objects, for approximately six months.
- (e) **Rural:** Rural will be defined as characteristics of areas outside of cities and towns.
- (f) **Underserved:** Underserved will be defined as individuals or populations lacking access or support.

SECTION 3. Housing Innovation Program Details

(1) Eligibility

- (a) In order for organization(s) to apply for grants they must be a non-profit organization or a for-profit organization that guarantees the price of renting or selling housing will be affordable for low-income households.

(2) Requirements

- (a) A maximum of \$1,000,000 would be granted per organization.
- (b) The organization seeking grants must have demonstrated experience in housing or community development.
- (c) 10% of grants must go to rural or underserved areas.
- (e) 20% of grants must go to areas for university or state college students.

(3) Funding

- (a) \$20,000,000 will be appropriated from the State of California.

(4) Enactment and Discontinuation

- (a) The Housing Innovation Program will be enacted January 1, 2026
- (b) The Housing Innovation Program will be discontinued, unless renewed, December 31, 2028