
AGENDA

#10

Update on legislative session



AGENDA #10

Legislative Update

Mehgie Tabar

Director of Legislation

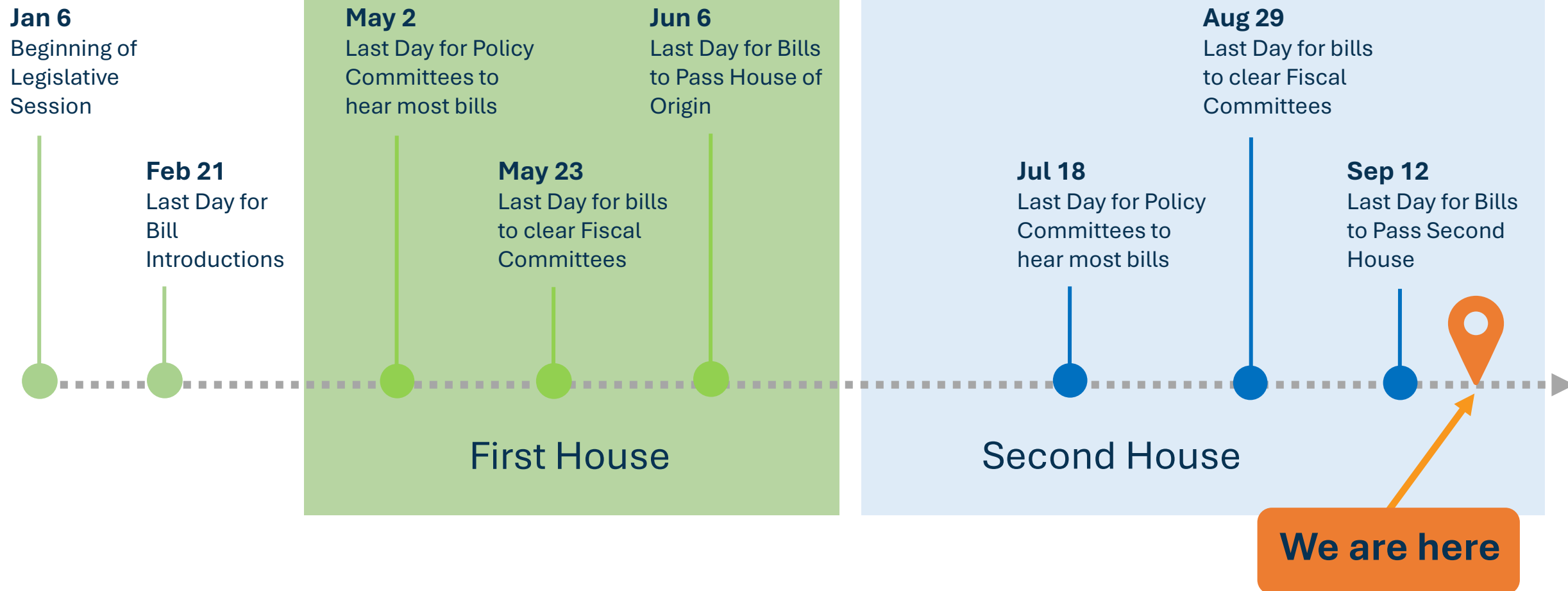
September 2025





STATE LEGISLATIVE SESSION

STATE LEGISLATIVE PROCESS



DIRECT IMPACT TO CALHFA LEGISLATION



AB 57 (McKinnor) creates set-aside for descendants of formerly enslaved persons within Dream for All

SB 750 (Cortese) creates a state-backed construction loan guarantee program at CalHFA to support multifamily housing development

AB 736 (Wicks) / SB 417 (Cabaldon)
Affordable Housing Bond Act of 2026





FEDERAL UPDATE

RECONCILIATION PACKAGE



- **LIHTC**
 - Permanent 12% increase in Housing Credit authority
 - Permanently lower bond financing threshold—decreased from 50% to 25%
- Permanent extension of **New Market Tax Credit**
- Permanent extension and enhancements to **Opportunity Zones**
- Significant changes in the **Clean Electricity Investment** and **Clean Electricity Production Tax Credits**
- Permanent 100 percent bonus depreciation for qualified properties

FEDERAL LEGISLATION

ROAD to Housing Act

- Increasing bank investment limits for affordable housing from 15% to 20% via the Community Investment and Prosperity Act
- Permanently authorizing the HOME program, offering more flexibility and streamlining processes
- Expanding housing in Opportunity Zones and simplifying development in rural areas
- Streamlining NEPA review for small housing projects



OTHER FEDERAL ACTIONS

- FHFA increases investment caps for housing credits
- FY26 HUD funding bill advances
- Trump administration issues EO on homelessness
- FHFA proposes rule to eliminate fair lending regulation
- Federal regulators seek input on simplifying CRA and other regs

