CalHFA
California Housing Finance Agency

Agenda 9

Legislative Update

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Director of Legislation

April 2026

State Budget

STATE BUDGET PROCESS

Jan 10th
Governor’s Budget

Early Feb
Trailer bill language pieces (TBLs)

Late Feb/Early March
Budget Sub-Committees start

We are here

By May 14
Governor’s May Revise

Late May/Early June
Negotiating tables & Conference Committees

Late May/Early June
One-House Budgets

June 15th
2-Way Budget
Senate-Assembly

Late June
Governor's Signature
Final 3-Way Budget

HOUSING AND HOMELESSNESS IN STATE BUDGET

January 10
Governor's Budget Proposal

- California Housing and Homelessness Agency and Housing Development and Finance Committee Implementation
- Rebuilding After the LA Fires

May 14
Governor's May Revise

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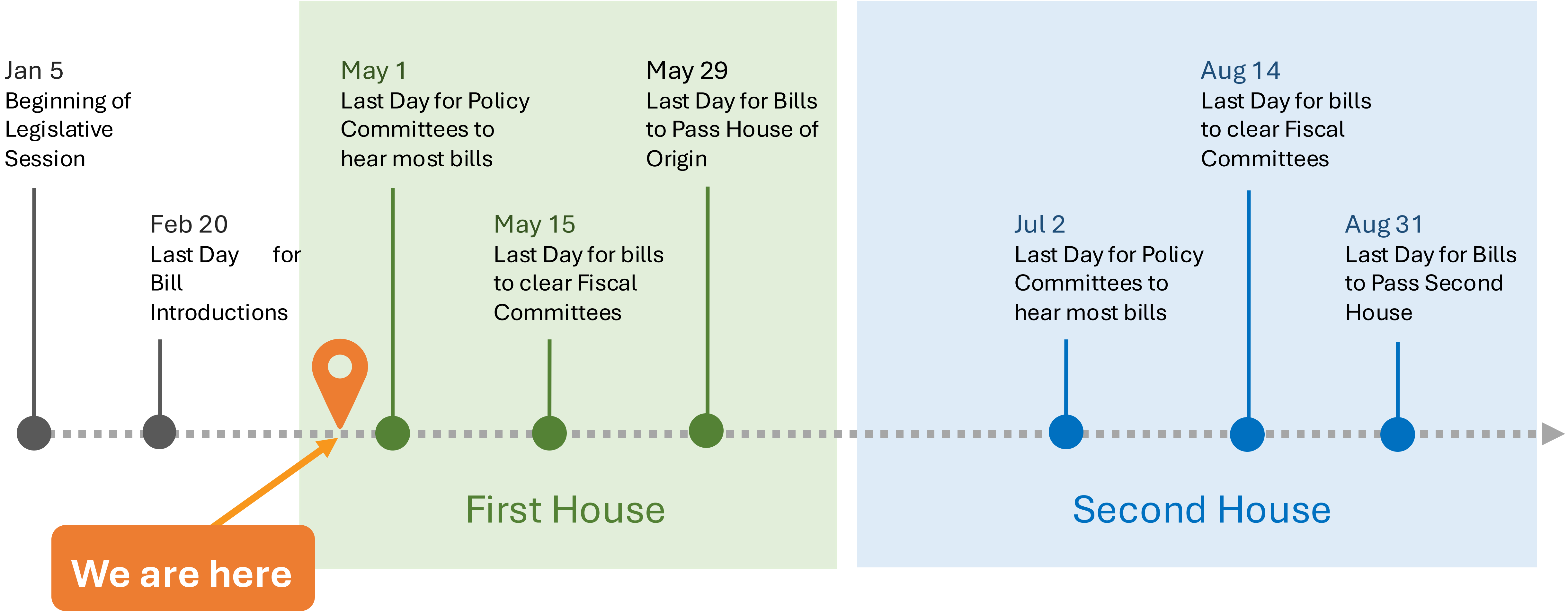
State Legislative Session

STATE LEGISLATIVE PROCESS



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DIRECT IMPACT TO CALHFA
INTRODUCED: HOUSING PRODUCTION

AB 2074 (Haney) establishes a revolving loan fund to appropriate funds to CalHFA for the development of high-rise housing in regional transit hub districts.

AB 2166 (Wicks) allows CalHFA to provide credit backstops to applicants to issue payment bonds or performance bonds to off-site housing construction factories on qualified projects

AB 2185 (Quirk-Silva) requires CA housing agencies administering multifamily affordable housing programs to update guidelines and regulations to facilitate the production and use of factory-built housing no later than July 1, 2027

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

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DIRECT IMPACT TO CALHFA
INTRODUCED: HOMEOWNERSHIP

AB 1714 (Tangipa) allows a tax credit of up to $25,000 to the seller for property repairs that are required as a condition of closing its sale when the property is sold to a purchaser using a first-time homebuyer assistance program

AB 2387 (Alvarez) mandates the expansion of DFA to codify assisting first-generation homebuyers, prioritizing those purchasing state-funded homes and expediting approvals in moderate-density areas

AB 2581 (Soria) requires CalHFA to develop and implement strategies to promote the movement of tenants from deed-restricted affordable housing into homeownership through DFA

Federal Update

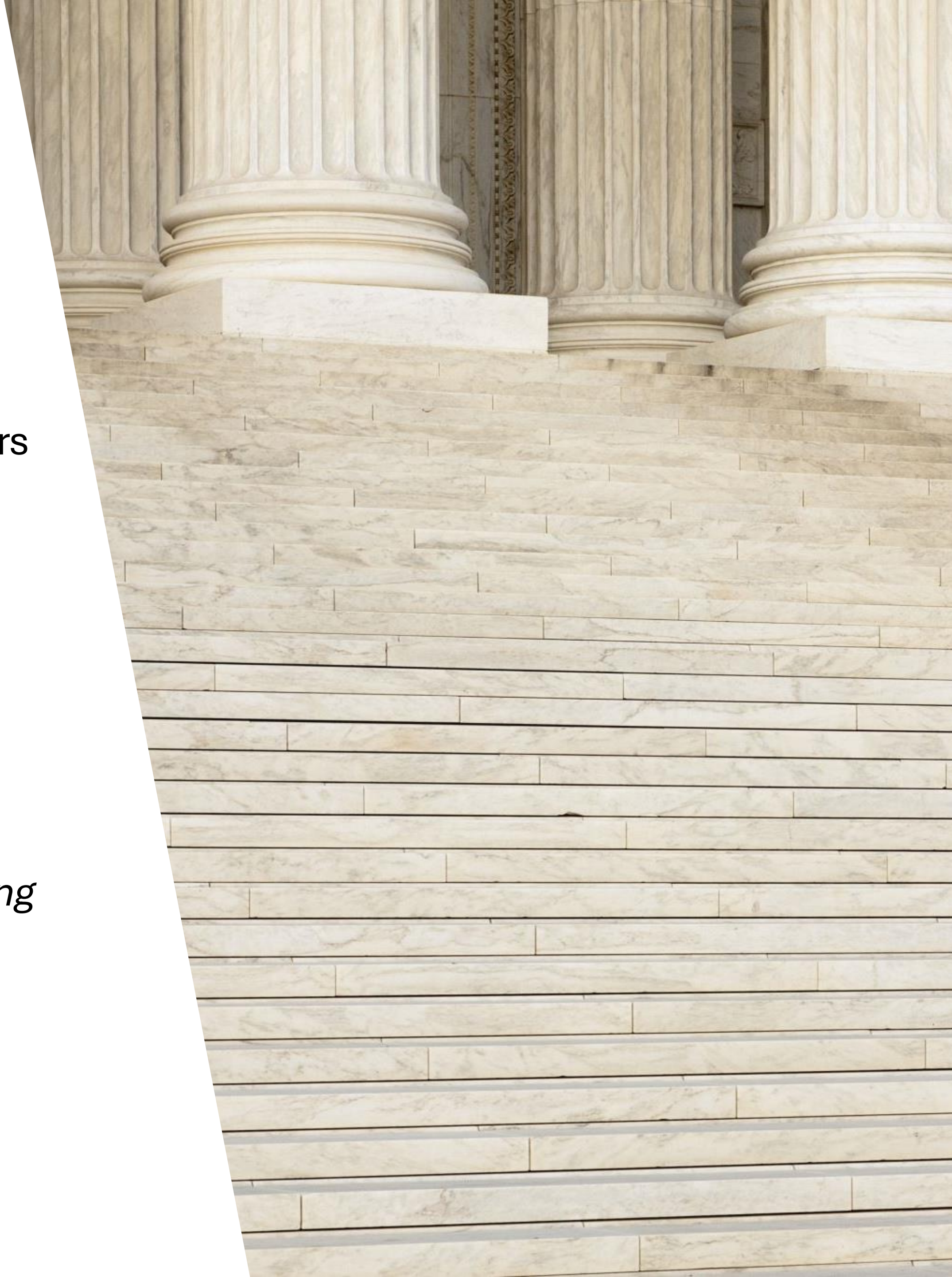
FEDERAL LEGISLATION

21st Century ROAD to Housing Act

- Consolidation of housing bill packages from both chambers
- Passed House and Senate with bipartisan support
- House must now approve Senate's amendments or negotiate a compromise

Key provisions:

- *Significant reforms to the HOME program*
- *Raises public welfare investment (PWI) limit to allow banks to invest more in the Housing Credit program*
- *Reforms to allow for preservation of rural rental housing and a pilot program for home repairs*
- *Limits on institutional investors*



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FEDERAL BUDGET

PRESIDENT TRUMP'S BUDGET PROPOSAL RELEASED

+ $1.5 trillion (+44%) defense spending

— $73 billion (–10%) non-defense discretionary spending

— $10.7 billion (-13%) HUD funding

- Elimination of over a dozen programs including CDBG, HOME, CoC homelessness assistance LIHEAP, NeighborWorks America, and USICH
- No new commitments expected for FFB Risk-Sharing Program
- $903 million decrease in Section 8 PBRA funding
- Consolidation of HUD's homelessness assistance into Emergency Solutions Grants block grant program
- New HUD Secretary authority

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Questions