



## AB 2418 - Nonresidential Permit Streamlining

### Fact Sheet

#### **AB 2418 Summary**

Streamlines nonresidential building permit applications by creating firm timelines for plan reviews and inspections. It also allows the use of a private plan-checker if a local agency cannot complete a plan review within the specified timeline.

#### **Background**

California's local agencies face extreme plan-checking delays due to staffing shortages and unpredictable workloads. These delays increase costs and make it harder for businesses to complete new construction, simple improvement projects, and critical expansions. Without a more efficient permitting process, businesses will continue to suffer unnecessary setbacks.

The state has recognized this issue, and enacted pivotal reforms focused on streamlining housing through AB 253 (Ward, 2025) and AB 1308 (Hoover, 2025). These laws improved residential permitting and inspection timelines but did not extend these same standards to commercial projects.

#### **Problem**

In various jurisdictions, even routine tenant improvements and straightforward interior remodels face plan-checks and inspection delays of up to eight months. These delays have become commonplace as local agencies struggle to keep up with demand, especially during periods following disasters and rebuilding efforts.

The impacts are immediate and costly. Projects stall, financing and lease timelines slip, and carrying costs rise. Small businesses, especially in historic, ethnic enclaves such as Chinatown, Koreatown, Little Tokyo, Historic Filipinotown, and Pico-Union, are hit

hardest as delayed tenant improvement projects impact the ability to stay open and thrive.

#### **Solution**

AB 2418 will tackle these growing delays by:

- Requiring local agencies to provide applicants with an estimated timeline.
- Requiring local agencies, upon request, to contract with or employ a qualified private plan checker if the estimated timeline results in an excessive delay or if there is an excessive delay by the local agency.
- Tightening the definition of excessive delay to 30 days from 50 days.
- Requiring the local agency, to issue a permit or notify the applicant of any noncompliant aspects of their application and to inspect the project within 10-business days of receiving a report from a private plan checker.

These changes will fix delays by establishing predictable timelines, transparency, and a reliable backstop option for when local capacity falls short.

#### **Support**

California Business Properties Association (CBPA) (Sponsor)  
Building Owners & Managers Association (BOMA) of California (Co-Sponsor)  
BOMA Greater Los Angeles (Co-Sponsor)  
Commercial Real Estate Development Association (NAIOP) California (Co-Sponsor)  
NAIOP So-Cal (Co-Sponsor)