

ASSEMBLYMEMBER DR. CORY A. JACKSON

60TH ASSEMBLY DISTRICT

AB 11: Affordable California Commission

BILL SUMMARY

The bill would create the Affordable California Commission to study and prescribe policy solutions to the causes and effects of the rising cost of living in California.

AB 11 would require the commission to complete two reports describing their findings and policy recommendations. AB 11 would repeal and dissolve this commission on January 1, 2027.

BACKGROUND

California is known to many people as the “Golden State”. A citadel for social progress and financial opportunity. However, California today is a different place and far from the land many sought decades ago.

As noted by the Public Policy Institute of California, a quarter of Californians worry everyday about paying their bills.¹ Affordability concerns for millions of Californians are seen in their continued rising costs from housing to healthcare, and seemingly everywhere in-between.

Rising Costs in Affordability

In previous decades, Californian’s market rate housing stock was affordable. As cited by the Turner Center at UC Berkeley, between the years of 1940 and 1960, the average home cost was \$15,000 to purchase, equivalent to about \$140,000 today’s dollars. During this time rents were around \$80 a month, or \$760 today and importantly California’s average house prices were largely in line with the rest of the United States.

Today, California’s housing affordability picture is dramatically different. For example, the cost of

building a 100-unit (affordable) development has gone up from \$265,000 per unit in 2000 to almost \$425,000 in 2016.²

Healthcare costs are also a driving and significant strain on many Californian’s ability to achieve financial stability. In 2019, a poll conducted by the California Health Care Foundation found that, “more than half of California families delayed or skipped care due to cost, including avoiding recommended medical tests or treatments, cutting medication doses in half, or postponing physical or mental health care”.³

Finally, in recent years, evidenced by recent Consumer Price Index (CPI), Californians have experienced higher year to year increases in the price for basic consumer goods, even when compared to the earlier decades of the 2000’s and 2010’s⁴.

PROBLEM

As costs in California continue to climb and in many cases outpacing current wage growth⁵, the State Legislature has a real need to better understand California’s greater affordability narrative and how best to solve this crises.

SOLUTION:

AB 11 will provide the State Legislature and the people of California clarity to the root causes of California’s affordability crises. Once the Commission identifies these challenges, the State Legislature will have a better understanding of targeted, and effective solutions.

¹ [PPIC Statewide Survey: Californians and Their Economic Well-Being - Public Policy Institute of California](#)

² [The Cost of Building Housing Series - Turner Center \(berkeley.edu\)](#)

³ [The 2020 CHCF California Health Policy Survey - California Health Care Foundation](#)

⁴ [Entire California Consumer Price Index](#)

⁵ <https://www.ppic.org/blog/inflation-squeezes-californians-budgets-despite-wage-growth/>

