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May 1, 2026

The Honorable Sabrina Cervantes
California State Senate
1021 O Street, Suite 7330
Sacramento, CA 95814

**RE: SB 1117 (Cervantes): Accessory Dwelling Units and Junior
Accessory Dwelling Units (As Introduced on 2/17/2026)
Orange County Sanitation District — Notice of Opposition Unless
Amended**

Dear Senator Cervantes,

I write to you today on behalf of the Orange County Sanitation District (OC San) in respectful opposition to Senate Bill (SB) 1117 (Cervantes) unless it is amended. Currently, as introduced, SB 1117 would further restrict how local agencies calculate impact fees for accessory dwelling units (ADUs) by requiring that fees for units exceeding 750 square feet be based only on the portion of the unit above that threshold, rather than the entire unit.

While we recognize the Legislature's ongoing efforts to support housing production, SB 1117 raises important considerations for agencies responsible for wastewater and sewer infrastructure.

The bill, as written, may limit the ability of agencies like OC San to align capacity fee revenues with the infrastructure demands associated with additional residential units. Existing law already restricts the ability of special districts to treat ADUs as new residential uses for purposes of connection fees and capacity charges, except in limited circumstances, and SB 1117 would further constrain available funding mechanisms, potentially making it more difficult to ensure that infrastructure costs are allocated in a proportionate and equitable manner.

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Additionally, the relationship between development and infrastructure demand may not always be directly reflected by square footage alone. Reducing the fee base without accounting for the broader impacts of additional residential units may limit the ability of agencies to fully address infrastructure needs over time.

To address these concerns, we respectfully request the following amendments:

- Preserve the ability of local agencies to assess capacity charges consistent with applicable law, including maintaining a reasonable relationship between charges and the infrastructure needed to serve development;
- Clarify that agencies retain appropriate discretion in how ADUs are considered for purposes of capacity charge calculations, where consistent with existing statutory requirements; and
- Ensure that agencies are able to recover the costs of providing infrastructure needed to serve new development in a manner that is proportionate and does not shift costs to existing ratepayers.

For these reasons, OC San respectfully opposes SB 1117 (Cervantes) unless it is amended. If you have any questions, please contact Jennifer Cabral, Director of Communications, at (714) 593-7581 or via email at JCabral@ocsan.gov.

Sincerely,



Ryan P. Gallagher
Board Chairman