## SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Scott Wiener, Chair 2025 - 2026 Regular

Bill No: AB 158 Hearing Date: September 10, 2025

**Author:** Committee on Budget

**Version:** September 9, 2025 Amended

Urgency: Yes Fiscal: Yes

Consultant: Timothy Griffiths

Subject: Land use

**Summary:** This bill contains statutory changes necessary to implement the Budget Act of 2025 as it relates to land use.

**Proposed Law:** Specifically, this bill:

- Expresses the intent of the Legislature for the Housing Development and Finance Executive Committee created by the Governor's Reorganization Plan No. 1 of 2025 to make recommendations to the Legislature regarding improvements the Department of Housing and Community Development (HCD) may make to optimize loan administration to expedite the processing of awards and loan closing.
- 2) Restores two provisions to the Budget Act which were enacted in AB 137 (Chapter 20, Statutes of 2025) but inadvertently chaptered out by the subsequent enactment of AB 130 (Chapter 22, Statutes of 2025):
  - a) Updating references to the Governor's Office of Planning and Research to reflect that entity's new name, the Governor's Office of Land Use and Climate Innovation (GO-LCI).
  - b) Authorizing GO-LCI to require submission of General Plan Annual Progress Reports using standard forms, standards, and definitions, with specified exceptions.
- Applies the provisions of the Permit Streamlining Act (PSA) to ministerial housing development projects, as defined in the Housing Crisis Act (HCA), reviewed by local agencies.
- 4) Modifies the deadline for a lead public agency to approve or disapprove specified infill housing development projects that are exempt from the California Environmental Quality Act (CEQA) from 30 days after the conclusion of the applicable tribal consultation process to 30 days from the later of:
  - a) the conclusion of the applicable tribal consultation process; or
  - b) the time period specified under the Housing Accountability Act.

- 5) Requires (HCD) to prepare to administer Round 7 of the Homeless Housing, Assistance and Prevention program with the goal that the initial Round 7 disbursement will be available to grantees meeting the statutory provisions beginning September 1, 2026, subject to specified criteria.
- 6) Revises the definition of "natural and protected lands" in CEQA to include lands that are identified for conservation in an adopted natural community conservation plan, as specified, or other natural resource protection plan.
- Specifies that builder's remedy projects greater than four acres are not eligible for the limited application of CEQA provided by Public Resources Code Section 21080.1.
- 8) Reduces the eligibility for builder's remedy projects to receive the CEQA exemption provided by Public Resources Code Section 21080.66 from projects smaller than five acres to projects smaller than four acres.
- 9) Requires the lead agency for any housing project using the CEQA exemption provided by Public Resources Code Section 21080.66 to file a notice of exemption with GO-LCI and the county clerk of the county in which the activity will occur.
- 10) Renumbers and makes non-substantive changes to existing law that exempts from CEQA specified new agricultural employee housing projects and projects consisting exclusively of the repair or maintenance of an existing farmworker housing project.
- 11) Applies CEQA to housing development projects meeting specified conditions related to local population size and proximity to sensitive environmental and historic resources.
- 12) Appropriates \$2,106,000 to GO-LCI to support implementation of Senate Bill 131 (Chapter 24 of the Statutes of 2025).

**Fiscal Effect:** This bill makes a General Fund appropriation of \$2,106,000 to GO-LCI for implementation of Senate Bill 131 (Chapter 24 of the Statutes of 2025).