

CONCURRENCE IN SENATE AMENDMENTS

AB 2045 (Connolly)

As Amended August 21, 2026

Majority vote

SUMMARY

Extends the sunset of the Habitat Restoration and Enhancement Act (HREA) from January 1, 2027, to January 1, 2032, modifies required information for HREA permit submission, and updates HREA application fees.

Senate Amendments

- 1) Require the submission of the following additional information for proposed projects:
 - a) The results of any biological survey that has been conducted;
 - b) A list of any state-listed species that may be taken, the type of take, and the mechanism of take; and
 - c) A design plan that is at least 65% complete, if the project includes a design plan prepared by a professional engineer.
- 2) Delete a requirement to include species protection measures for federally protected species.
- 3) Delete requirements to publish notices in the California Regulatory Notice Register.
- 4) Specify that permit approval may include take authorization for both listed and fully protected species, but that permits only cover species indicated by the project proponent in the permit application.
- 5) Require CDFW to ensure that every project approved under HREA includes appropriate measures to avoid and minimize adverse impacts to species protected by state law.
- 6) Delete CDFW's authority to suspend or revoke project approval.
- 7) Require CDFW to develop a new application fee schedule by January 1, 2030, and require CDFW to continue to use the current fee schedule until the new schedule is adopted.
- 8) Make numerous technical and conforming changes.

COMMENTS

HREA expedites small, voluntary restoration projects by establishing permitting efficiencies, in line with the Administration's "cutting the green tape" priorities. Cost savings for HREA permit applicants stem from avoided California Endangered Species Act and scientific collection permit fees (as Lake and Streambed Alteration Agreement fees are still paid by HREA applicants). In its 2025 cutting the green tape report, CDFW estimates that each HREA-permitted restoration project saves approximately \$32,222 in permit fees and implementation costs. As of January 2026, CDFW has approved 243 projects under HREA.

CDFW has been chronically underfunded, resulting in large service gaps. In a presentation given before the Senate Budget Subcommittee No. 2 on February 26, 2026, CDFW presented service-based budgeting data that showed that in fiscal year (FY) 2024–2025, CDFW was only able to provide 35% of its mission hours on permitting and environmental protection. This amounts to only a slight improvement from 28% in FY 2021–22. HREA is not an exception, and according to CDFW's 2020 report to the Legislature on HREA implementation, HREA fees did not cover the cost of project review and approval, which does not include CDFW hours reviewing unsuccessful applications, outreach, stakeholder consultation, and program administration.

CDFW's most recent report on HREA, dated December 31, 2025, made several observations and recommendations, including that there is limited discretion within HREA to condition permit approval upon additional measures or conditions and that HREA fees do not cover the cost of implementing the program.

According to the Author

"By [extending] the sunset date of [HREA], we are ensuring the continuation of an efficient permitting pathway for these vital habitat restoration projects. Conservation groups who are on the ground preserving our ecosystems deserve an avenue in which they can operate free of regulatory burdens. Without an expedited pathway, California's progress towards reaching its environmental sustainability goals will slow down. [This bill] will protect California's biodiversity across our coasts and forests by ensuring these projects can continue in a timely manner."

Arguments in Support

Sustainable Conservation writes in support, "Since [HREA] has been in place, over 240 high-quality projects have been approved and gone forward and that number continues to increase. These projects help the State meet its goals outlined in the 30x30 Conservation Initiative, California Salmon Strategy for a Hotter Drier Future, and Nature Based Solutions climate targets, which together make up the state's approach for conserving and restoring our natural habitats. HREA helps incentivize public-private collaboration for landowners to restore streams and coastal wetlands, reconnect floodplains, remove barriers for native fish passage, reduce sediment and pollutants in urban waterways, plant native vegetation, and support wildlife diversity."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee, this bill has the following fiscal impact:

Ongoing costs to CDFW in the low- to mid-hundreds of thousands of dollars annually to continue administering HREA until January 1, 2032 (Habitat Restoration and Enhancement Account within the Fish and Game Preservation Fund). These costs would be somewhat offset by HREA application fees, which partially cover CDFW's project review and program development costs.

VOTES:**ASM WATER, PARKS, AND WILDLIFE: 12-0-1**

YES: Papan, Jeff Gonzalez, Alanis, Alvarez, Ávila Farías, Bains, Bennett, Boerner, Caloza, Hart, Muratsuchi, Rogers

ABS, ABST OR NV: Gallagher

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 73-0-7

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Irwin, Jackson, Johnson, Kalra, Krell, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Arambula, Chen, Garcia, Hoover, Lackey, Ramos, Celeste Rodriguez

UPDATED

VERSION: August 21, 2026

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FN: 0004199