

CONCURRENCE IN SENATE AMENDMENTS

AB 2231 (Ahrens)

As Amended August 21, 2026

Majority vote

SUMMARY

Establishes expedited administrative and judicial review procedures under the California Environmental Quality Act (CEQA) for “environmental leadership hospital campus projects” in the City of Santa Clara, requiring the courts to resolve lawsuits within 270 days, to the extent feasible.

Senate Amendments

- 1) Strike application of the bill to hospital projects in the City of Emeryville.
- 2) Strike requirement for the project applicant to certify to the lead agency that the project applicant has completed a health impact review by the Attorney General.
- 3) Revise construction labor requirements regarding payment of prevailing wages and use of a skilled and trained workforce.
- 4) Make other technical and clarifying changes.

COMMENTS

CEQA provides a process for evaluating the environmental effects of applicable projects undertaken or approved by public agencies. If a project is not exempt from CEQA, an initial study is prepared to determine whether the project may have a significant effect on the environment. If the initial study shows that there would not be a significant effect on the environment, the lead agency must prepare a negative declaration. If the initial study shows that the project may have a significant effect on the environment, the lead agency must prepare an EIR.

An EIR must accurately describe the proposed project, identify and analyze each significant environmental impact expected to result from the proposed project, identify mitigation measures to reduce those impacts to the extent feasible, and evaluate a range of reasonable alternatives to the proposed project. If mitigation measures are required or incorporated into a project, the agency must adopt a reporting or monitoring program to ensure compliance with those measures.

Generally, CEQA actions taken by public agencies can be challenged in superior court once the agency approves or determines to carry out the project. CEQA appeals are subject to unusually short statutes of limitations. Under current law, court challenges of CEQA decisions generally must be filed within 30-35 days, depending on the type of decision. The courts are required to give CEQA actions preference over all other civil actions. However, the schedules for briefing, hearing, and decision are less definite. The petitioner must request a hearing within 90 days of filing the petition and, generally, briefing must be completed within 90 days of the request for hearing. There is no deadline specified for the court to render a decision.

According to the Author

AB 2231 is about protecting access to care, strengthening our health system, and acting with the urgency this moment demands. At a time when federal actions like H.R. 1 are reducing health care funding and increasing financial pressure on hospitals, California faces a narrowing window to build the facilities our communities will depend on for decades to come. If we do not act now, we risk losing critical capacity – particularly as older, seismically non-compliant hospitals approach closure.

Arguments in Support

According to Sutter Health, there is a growing consensus that the protracted CEQA compliance and litigation process unnecessarily delays and jeopardizes the significant benefits hospital projects can provide California communities. Numerous health care projects have been delayed, or completely halted, over the past decade in California due to CEQA. Passing AB 2231 is imperative for patients as Sutter Health is undertaking major hospital investments that are essential to preserving and expanding regional access to care...The bill is narrowly tailored, geographically specific, and focused exclusively on hospital projects with a clear public health benefit. It maintains strong labor protections, and applies only to urban, infrastructure-ready sites where timely delivery is critical to patient access.

Arguments in Opposition

According to the Judicial Council of California, (i)mposing the 270-day expedited judicial review timeline on top of existing calendar preferences is arbitrary and likely to be unworkable in practice...setting a timeline for deciding CEQA cases has the practical effect of pushing other cases on a court's docket to the back of the line.

According to the Western Electrical Contractors Association, AB 2231 creates a system where workers on PLA projects are afforded fewer rights, fewer remedies, and less transparency than those on non-PLA projects. This is not a proworker policy—it is a carveout that replaces public enforcement with private arbitration and strips workers of long-standing statutory protections...By exempting PLA projects from core labor standards and enforcement mechanisms, AB 2231 effectively pressures developers into adopting PLAs to avoid regulatory requirements. This is not about improving outcomes—it is about creating unequal rules that favor one project delivery model over all others, to the detriment of fair and open competition.

FISCAL COMMENTS

According to the Assembly Appropriations Committee, potential cost pressure (Trial Court Trust Fund, General Fund) of an unknown amount to the courts to process and hear challenges to environmental reviews for environmental leadership hospital campus projects on an expedited timeline. Expedited cases generally create costs and staffing pressures on the courts, as each review typically requires a judicial officer, research attorneys, and staff. However, under existing rules of court (that Judicial Council may amend to reference the specific projects in this bill), these reviews would be subject to a \$180,000 filing fee. With this filing fee, Judicial Council does not anticipate increased costs as a result of this bill.

VOTES:**ASM NATURAL RESOURCES: 14-0-0**

YES: Bryan, Ellis, Alanis, Connolly, Garcia, Haney, Hoover, Kalra, Macedo, Muratsuchi, Pellerin, Schultz, Wicks, Zbur

ASM APPROPRIATIONS: 14-0-1

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

ABS, ABST OR NV: Arambula

ASSEMBLY FLOOR: 70-1-9

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

NO: DeMaio

ABS, ABST OR NV: Arambula, Gallagher, Lowenthal, Muratsuchi, Quirk-Silva, Celeste Rodriguez, Michelle Rodriguez, Solache, Soria

UPDATED

VERSION: August 21, 2026

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FN: 0004396