

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2373 (Dixon) – As Amended April 22, 2026

Policy Committee: Natural Resources

Vote: 12 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill authorizes a local government within the coastal zone to include a neighborhood-scale adaptation approach when including land use policies and implementation measures in its local coastal plan (LCP) or sea level rise (SLR) plan.

Specifically, this bill:

- 1) Authorizes a local government lying, in whole or in part, within the coastal zone to include a neighborhood-scale adaptation approach when including land use policies and implementation measures in its LCP or an SLR plan (pursuant to existing law) provided that the California Coastal Commission (Commission) finds the policies and standards to be consistent with a specified chapter of the California Coastal Act.
- 2) Authorizes a neighborhood-scale adaptation approach to include:
 - a) The identification of areas or assets, including a neighborhood or developed area, beach area, protected coastal resource area, site, or area with infrastructure or assets, that are subject to this approach, as specified.
 - b) Policies that reflect the shared planning features and specific preferred adaptation strategies intended to minimize, mitigate, or avoid coastal impacts for different areas or development types based on the geophysical and land use characteristics. The strategies must prioritize the use of nature-based solutions, including beach and dune restoration, living shorelines, coastal wetland restoration, flood plain reconnection, and managed retreat.
- 3) Requires neighborhood-scale adaptation approaches be consistent with Public Resources Code section 30500 (which governs LCP requirements) and section 30985 (which governs SLR planning requirements).
- 4) Defines "neighborhood-scale adaptation approach" as an approach that allows local governments to identify and develop adaptation strategies that are specific to defined areas or assets within the jurisdiction of a local government that share characteristics, including geologic, land use, or other shared characteristics of an area, for focused adaptation planning to minimize and mitigate potential impacts associated with sea level rise.

FISCAL EFFECT:

The Commission estimates \$250,000 in one-time costs as well as approximately \$870,000 in ongoing annual costs to implement this bill (General Fund). One-time funding would be needed to develop updated guidance for local governments on how to amend their LCPs to incorporate a neighborhood-scale adaptation approach as provided in the bill, including complying with the policy direction prioritizing nature-based adaptation strategies. Ongoing funding would support three staff to coordinate with California's 76 coastal local governments, both individually as well as collectively through the Commission's Local Government Working Group, to develop neighborhood-scale adaptation strategies that prioritize nature-based solutions. This work would include providing technical assistance with ecological, geologic and engineering analyses; evaluating the feasibility of nature-based adaptation strategies to mitigate coastal hazards; conducting legal research and providing assistance with land use policy approaches; and reviewing and assisting with certification of LCP amendments that draw on these analyses to inform updated coastal land use policies, standards, and ordinances.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:

1) **Purpose.** According to the author:

AB 2373 will allow the local governments to use the neighborhood-scale adaptation approach when including land use policies and implementation measures in their local coastal program or sea level rise plan. By codifying the Coastal Commission's recommendations in statute, this bill will provide cities and counties within the Coastal Zone with clarity and certainty about the best practices for completing their LCPs. In addition, this legislation maintains existing flexibility that the Commission has when considering armoring or nature-based solutions along coastal protected shorelines or community contexts.

2) **Background. LCPs.** The Commission administers the Coastal Act and regulates proposed development along the coast and in nearby areas in the coastal zone. The Coastal Act requires local governments to develop LCPs consistent with policies of the Coastal Act. LCPs are land use planning documents that lay out a framework for development and coastal resource protection within a city or county's coastal zone area. Generally, any development activity in the coastal zone requires a coastal development permit (CDP) from the CCC or local government with a certified LCP. In a jurisdiction with a certified LCP, the local government issues the CDP with detailed planning and design standards. However, even when the local government grants a permit, CDP decisions are appealable to the CCC if the development falls within certain defined zones. For a jurisdiction without an LCP, also known as an "uncertified" jurisdiction, the CCC is the permitting authority for CDPs. 90% of the coastal zone is operating under a certified LCP. SB 272 (Laird), Chapter 384, Statutes of 2023, requires, among other things, local governments to develop SLR adaptation plans as part of new or updated LCPs.

LPCs can be approved in segments. The Coastal Act allows for the division of coastal zones into separate geographic segments, resulting in multiple LCPs segments. Each segment can have its own set of policies and regulations that are specific to each area. This segmentation

helps local governments tailor their coastal management plans to the unique needs and characteristics of each segment.

Local Government Working Group. This working group is a collaboration between the Commission and local government partners to, among other things, identify ways to improve the LCP process, particularly as it relates to updating LCPs to address SLR. Some existing LCPs have not been updated for 25 years or more. In 2024, the Commission and the Working Group developed a neighborhood-scale planning draft discussion paper wherein they discuss the concept that proactively choosing adaptation strategies that reflect a mix of geophysical characteristics and land use and development types and implementing them at appropriate scales – or “neighborhood-scale adaptation” – will be more effective than parcel-by-parcel, ad hoc responses. According to the Assembly Natural Resources Committee, the discussion paper specifically notes that the document is not intended to be adopted by the Commission in the immediate future, nor is it intended to provide legal guidance of any kind; rather, it is simply an introduction to a topic that is meant to provide information and spur discussion. No further reporting, let alone regulatory decision-making, has advanced on this concept, although the City of Pacifica received approval from the Commission in May 2025 on their LCP and began implementing a neighborhood-scale approach.

Writing in support, the League of California Cities and a coalition of organizations assert this bill provides a framework to help local governments in updating their LCPs. By clarifying that local governments may use a neighborhood-scale adaptation approach when developing land use policies and implementation measures within their LCPs, the coalition notes this bill allows “coastal jurisdictions to identify specific areas or coastal assets with shared characteristics and to tailor adaptation strategies based on localized geophysical conditions and land use patterns.” The coalition further argues that by supporting cities and counties with their LCP updates “on a more manageable scale, the bill would improve local coastal planning and provide greater certainty for LCP approvals, while maintain consistency with the Coastal Act.”

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