

## CONCURRENCE IN SENATE AMENDMENTS

AB 961 (Ávila Farías)

As Amended September 05, 2025

Majority vote

**SUMMARY**

Extends the sunset on the California Land Reuse and Revitalization Act (Act) from January 1, 2027, to January 1, 2037.

**Senate Amendments**

Add Assemblymember Wicks as a co-author.

**COMMENTS**

*Brownfield cleanup:* Brownfields are properties that are contaminated, or thought to be contaminated, and are underutilized due to perceived remediation costs and liability concerns. Many of these properties are in the urban core, near transit, and often in underserved communities with housing and economic development needs. Cleaning up brownfield properties not only eliminates the threat to residents and neighborhoods from hazardous substances, it frees abandoned or underutilized land for productive reuse. Redevelopment of brownfields also takes development pressures off previously undeveloped property, thereby preserving open space and agricultural land.

Brownfields remain a problem in California and nationwide, as abandoned, idled, or under-used sites formerly utilized for industrial or commercial purposes result in perceived or actual contamination that deters redevelopment of the site. As cleanup costs can be expensive, especially when uncovering unexpected hazardous materials during the cleaning of the site, many of the sites remain vacant for many years.

*California Land Reuse and Revitalization Act of 2004 (Act):* Traditionally, federal and state law provided that both current and previous owners of a property are potentially liable for the cost of cleanup of hazardous materials released on the property. In 2002, federal law was modified to grant conditional immunity to innocent and prospective purchasers and to innocent contiguous property owners for previously occurring contamination for which the innocent or prospective purchaser had no responsibility.

In 2004, California enacted AB 389 (Montanez), Chapter 705, Statutes of 2004, which created the Act, providing qualified immunity to innocent landowners, bona fide purchasers, and contiguous property owners who did not cause or contribute to a release of contaminants. Under the Act, in order to take advantage of the provided immunity, qualifying individuals must enter into an agreement with an oversight agency that would require the individual to undertake various tasks relating to cleanup of the hazardous materials on the property. The Act then provides liability protections to bona fide purchasers, innocent landowners, contiguous property owners, prospective purchasers, and bona fide ground tenants. This is intended to promote the cleanup and redevelopment of blighted contaminated properties. The Act establishes a process for eligible property owners to obtain statutory immunity, conduct a site assessment, and implement a response action, if necessary, to ensure that the property is ready for reuse. The original sunset date for the enacting legislation, AB 389, was in 2010.

*Subsequent changes to the Act:* Since enactment of the Act, there have been a few additions to the protections provided by the Act, as well as extending the protections of the program several times. SB 989 (Senate Environmental Quality), Chapter 510, Statutes of 2006 made the immunity protections available to a bona fide ground tenant. SB 143 (Cedillo), Chapter 167, Statutes of 2009 authorized a prospective purchaser who is in contract to acquire a site and who qualifies as a bona fide purchaser to enter into an agreement that provides them with immunity upon site acquisition. Additionally, SB 143 extended the sunset for the program from January 1, 2010, until January 1, 2017. Lastly, SB 820 (Hertzberg), Chapter 166, Statutes of 2016, extended the Act until January 1, 2027.

Without a legislative sunset extension, the Act will expire on January 1, 2027.

*This bill:* This bill extends the immunity protections under the Act, for bona fide purchasers, innocent landowners, contiguous property owners, prospective purchasers, and bona fide ground tenants, until January 1, 2037.

### **According to the Author**

"AB 961 extends the sunset date of the California Land Reuse and Revitalization Act (Act) from January 1, 2027, to January 1, 2037. The Act has been a critical tool since 2005 for transforming contaminated and underutilized properties—often in disadvantaged communities—into spaces that can support housing, commercial activity, and community development.

By providing limited liability protections to innocent landowners, prospective purchasers, and adjacent property owners, the Act makes it possible to clean up and reuse properties that would otherwise remain vacant and blighted. These protections encourage private investment and streamline the process of environmental remediation by allowing agreements with the Department of Toxic Substances Control or Regional Water Boards.

Without this extension, communities would lose a proven pathway to revitalization. AB 961 ensures California maintains this important tool for supporting infill development, environmental justice, and sustainable land use in areas that need it most."

### **Arguments in Support**

According to the California Council for Environmental and Economic Balance,

"AB 961 would extend the sunset date for the Act from January 1, 2027, to January 1, 2037, and provide that a person who qualifies for immunity under the Act before January 1, 2037, shall continue to have that immunity on and after that date if the person continues to be in compliance with the requirements of the former Act.

The Act has served as a critical tool for supporting the redevelopment of previously contaminated properties whereby prospective purchasers, owners or adjacent property owners can enter an agreement with the Department of Toxic Substances Control (DTSC) or the regional water boards to evaluate and remediate the contamination located on the site. The agreement, upon approval, provides participating entities with limited immunity from further liability for the contamination. Importantly, this limited immunity can then be passed on to future owners, users and lenders, which greatly enhances the opportunities for redevelopment or reuse of the affected property, as well as the overall value."

**Arguments in Opposition**

None on file.

**FISCAL COMMENTS**

According to the Assembly Appropriations Committee, enactment of this bill creates ongoing annual costs to DTSC and the State Water Resources Control Board that are unknown but likely in excess of \$150,000 annually.

**VOTES:****ASM ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: 7-0-0**

**YES:** Connolly, Hadwick, Bauer-Kahan, Castillo, Lee, McKinnor, Papan

**ASM APPROPRIATIONS: 14-0-1**

**YES:** Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache, Ta, Tangipa

**ABS, ABST OR NV:** Sanchez

**ASSEMBLY FLOOR: 79-0-0**

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

**UPDATED**

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