
SENATE COMMITTEE ON NATURAL RESOURCES AND WATER

Senator Josh Becker, Chair

2025 - 2026 Regular

Bill No:	SB 1229	Hearing Date:	April 7, 2026
Author:	Allen		
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Subject: Coastal resources: coastal development permits: disaster exemption

SUMMARY

This bill would prohibit the use of the coastal development permit exemption to rebuild a certain structure destroyed by a disaster if the property owner is not the property owner of record prior to the disaster and if certain additional conditions are met, such as being located in an environmentally sensitive area, as specified.

BACKGROUND AND EXISTING LAW

The California Coastal Commission (commission)

The commission was established by voter initiative, Proposition 20, in 1972. The Legislature later made the commission permanent through the adoption of the California Coastal Act of 1976 (Coastal Act) (Public Resources Code (PRC) §§30000 *et seq.*). The commission plans for and regulates the use of land and water in the coastal zone (which excludes the San Francisco Bay).

The commission is an independent, quasi-judicial state agency, and its mission statement states that it “is committed to protecting and enhancing California’s coast and ocean for present and future generations.” The commission does so “through careful planning and regulation of environmentally sustainable development, rigorous use of science, strong public participation, education, and effective intergovernmental coordination.”

Development activities in the coastal zone generally require a coastal development permit (CDP) issued by the commission or by a local government with a local coastal program (LCP) certified by the commission. Coastal Act policies are the standards the commission uses to determine the permissibility of proposed developments subject to its jurisdiction.

Proposition 20 provided from the outset that certain (non-emergency) development in the coastal zone would not require commission permitting: minor repairs and improvements to existing single-family residences and maintenance dredging of existing navigation channels and related activities. This CDP exemption was subsequently expanded to additional development activities upon the condition that no adverse effect on coastal resources or impairment of public access to the coast occurred, and, in certain instances, the development did not result in a significant change in density, height, or the nature of uses on the property. In 1979, the CDP exemption was extended to any structure other than a public works structure that was destroyed by a natural disaster so long as the replacement structure conformed to existing zoning, was

for the same use, was not more than 10% larger in floor area, height or bulk, as defined, and was sited in the same location (AB 643 (Calvo, Chapter 919, Statutes of 1979)).

The 2025 Palisades Fire

The catastrophic Palisades Fire started on the morning of January 7, 2025, and grew rapidly to over 15,000 acres over the first day driven by strong Santa Ana wind gusts and falling humidity. The fire destroyed or damaged almost 8,000 structures, and tragically resulted in the deaths of 12 people. According to the California Department of Forestry and Fire Protection, the fire burned 23,448 acres, and was not contained until January 31, 2025. Recent estimates by Redfin are that the Palisades Fire alone caused over \$50 billion worth of damage to residential property.

After a disaster, property owners may face multiple challenges when deciding whether to rebuild or sell their lot given delays in insurance payouts, underinsurance, and increases in labor and building materials costs. In the City of Malibu, the Palisades Fire destroyed 700 homes of which 300 were beachfront properties. As of early January 2026, only 22 building permits had been issued by Malibu to rebuild properties destroyed by the Palisades Fire. Some Malibu property owners opted to sell instead of rebuild, and some properties to the west of the Pacific Coast Highway have already been sold. According to Redfin, 44% of the burned lots in Malibu have been purchased by developers. This has raised concerns in the community. For example, developers from New Zealand have purchased 16 burned beachfront lots at a cost of nearly \$100M and plan to build 16 luxury prefabricated homes to ship to California for installation. They anticipate completion by 2029.

Governor Newsom's Executive Orders and the Coastal Act

In a series of six Executive Orders during and after the Palisades and Eaton Fires, Governor Newsom suspended the Coastal Act, the California Environmental Quality Act (CEQA), sections of the California Building Standards Code, and sections of the California Energy Code for disaster rebuilds and repairs. With respect to the Coastal Act, this was despite existing law providing the CDP exemption if the structure destroyed in the disaster is replaced by essentially the same structure in the same place for the same purpose.

By suspending compliance with the Coastal Act, the cumulative effect of the Executive Orders was to reduce coastal-related considerations, where applicable, to the requirements that new accessory dwelling units (ADUs) be at least 10 feet from a canyon bluff edge or 25 feet from a coastal bluff edge and rebuilt structures cannot encroach upon public access easements or deed restrictions. The language allows destroyed structures and related supportive infrastructure – even if they encroached upon public access easements and had not been permitted prior to the fire – to be rebuilt. A property owner seeking to rebuild only has to obtain approval from the local jurisdiction, and the local jurisdiction is not bound by Coastal Act policies in determining whether to permit a project. A local jurisdiction may not impose mitigations, for example for sand loss, that might otherwise be required pursuant to Coastal Act policies.

Existing law, pursuant to the Coastal Act:

- 1) Establishes the commission in the California Natural Resources Agency.

- 2) Includes legislative findings and declarations that:
 - a) The coastal zone is a distinct and valuable natural resource of vital and enduring interest to all the people, the permanent protection of the state's natural and scenic resources is a paramount concern to present and future residents, and existing uses and future developments that are carefully planned and developed consistent with the Coastal Act are essential to the economic and social well-being of the people of the state (PRC §30001).
 - b) It is important for the commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone (PRC §30604).
 - c) The basic goals of the state for the coastal zone include to:
 - i) Protect, maintain, and, where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and artificial resources;
 - ii) Ensure orderly, balanced utilization and conservation of coastal zone resources, taking into account the social and economic needs of the people of the state; and
 - iii) Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resources conservation principles and constitutionally protected rights of private property owners, among other things (PRC §30001.5).
- 3) Provides for the planning and regulation of development within the coastal zone, as defined.
 - a) A person planning to perform or undertake any development in the coastal zone is required to obtain a CDP from the commission or local government enforcing a certified LCP (PRC §30600).
 - i) Development means, among other things, the placement or erection of any solid material or structure on land or in water. Structure means any building, road, pipe, flume, conduit, and electrical power transmission and distribution line, among other things (PRC §30106).
 - ii) The coastal zone means the coastal land and waters of California, and includes the lands that extend inland generally 1,000 yards from the mean high tide line, as specified, with various exceptions, including the San Francisco Bay (PRC §30103).
- 4) Provides a CDP exemption for certain types of development including, among others:
 - a) Improvements to existing single-family residences, as specified;

- b) Improvements to structures other than a single-family residence or a public works facility that do not involve a risk of adverse environmental effect, affect public access, or involve a change in use contrary to the Coastal Act, as provided;
 - c) Maintenance dredging of existing navigation channels;
 - d) Repair or maintenance activities that do not result in an addition to or enlargement or expansion of the object of those activities, as specified;
 - e) Temporary development, as provided;
 - f) The replacement of a structure other than a public works facility destroyed by a disaster provided that the replacement structure conforms to applicable existing zoning requirements, is for the same use as the destroyed structure, does not exceed either the floor area, height, or bulk of the destroyed structure by more than 10%, and is sited in the same location, as provided (PRC §30610).
- 5) Defines “environmentally sensitive area” to mean any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments (PRC §30107.5).

PROPOSED LAW

This bill would:

- 1) Prohibit use of the CDP exemption for the replacement of a structure destroyed by a disaster where the structure conforms to existing zoning, is for the same use, sited in the same location, and is no more than 10% larger, as provided, if the property owner is not the property owner of record immediately preceding the disaster, and if the replacement structure would do any of the following:
 - a) Encroach upon a public access easement, lateral access easement, or vertical access easement recorded or offered for dedication, as provided.
 - b) Be located within an environmentally sensitive area or within a required buffer area adjacent to an environmentally sensitive area.
 - c) Be sited within a bluff setback established by a certified LCP or the commission.
 - d) Occupy, fill, or encroach upon state tidelands, submerged land, or the public trust.
 - e) Block, impede, or restrict public access to or along the coast in a manner not present prior to the disaster.
- 2) Provide for reimbursement of mandated state costs, as provided, and make additional minor technical amendments to statute.

ARGUMENTS IN SUPPORT

According to the author, “The devastating 2025 Palisades Fire destroyed approximately 10,000 homes and businesses in coastal areas, forcing residents to make difficult choices about whether and how to rebuild. The Coastal Act currently allows homes

destroyed by disaster to be rebuilt without a new coastal development permit if the new structure is similar to the original. This exemption was intended to help homeowners quickly restore their residence after catastrophic events by accelerating the rebuilding process. Unfortunately, in practice, the exemption may be exploited by investors or developers interested in buying up properties at below-market value, with plans to redevelop them in ways that may limit public coastal access – all without review.”

“SB 1229 closes this loophole by ensuring speculative purchasers rebuilding after disaster cannot bypass the Coastal Act’s core resource protection and public access policies, while still prioritizing streamlined recovery for disaster victims as well as the preservation of our coastal environments and communities.”

ARGUMENTS IN OPPOSITION

None received

COMMENTS

A property owner can still seek a CDP from the commission or a local jurisdiction, as applicable. While this bill limits the use of the CDP exemption for rebuilding certain structures destroyed by a disaster by a new property owner who purchased the lot post-disaster if the specified criteria are met, the new property owner would still be able to seek a CDP for the new structures through the regular process via the commission or the local jurisdiction with a certified LCP.

This bill is prospective. The Governor’s Executive Orders will remain in effect indefinitely unless they are repealed by Governor Newsom or one of his successors.

Compliance with the public trust. In general, the use of the state’s sovereign lands are limited to those activities consistent with the public trust doctrine. The California State Lands Commission exercises continuing oversight over lands subject to the public trust. However, in general usage, the public trust is not encroached upon or occupied, rather the sovereign tide and submerged lands subject to the public trust may be.

In view of this, the Committee may wish to make a slight technical amendment to the condition related to the state’s submerged and tidelands to reflect that. [Amendment #1]

While outside the scope of this bill, a property owner who wanted to build a pier or similar public-trust-consistent structure on the state’s tide or submerged lands would be able to pursue a lease from the State Lands Commission to do so.

Additional technical amendment. The Committee may further wish to rework the condition related to public access easements and related deed restrictions to better conform with existing usage.

Recent related legislation

SB 1318 (Allen, 2026) would require the commission to approve CDPs or LCP amendments concerning non-owner-occupied short-term rentals, as provided. (*This bill is pending before this Committee.*)

SB 963 (Laird, 2026) would provide additional deadlines for the commission's appeals process for local CDPs appealed to them, as provided. *(This bill is pending before this Committee.)*

SB 676 (Limón, Chapter 550, Statutes of 2025) established expedited CEQA administrative and judicial review for projects that maintain, repair, restore, demolish, or replace wildfire-damaged property in areas the Governor declared emergencies on or after January 1, 2023, as provided.

SB 625 (Wahab, Chapter 548, Statutes of 2025) created a streamlined 90-day approval process for housing on sites where homes were destroyed or damaged by disasters, among other provisions.

AB 851 (McKinnor, Chapter 535, Statutes of 2025) addressed unsolicited real property offers in Los Angeles and Ventura Counties after the 2025 wildfires, targeting predatory purchasing behavior.

SUGGESTED AMENDMENTS

AMENDMENT 1

Revise proposed PRC §30610(g)(2)(A) and (D) as follows:

“(A) Encroach upon a lateral or vertical public access easement, ~~lateral access easement, or vertical access easement~~ or deed restriction, or an open space easement or deed restriction that has been recorded or offered for dedication pursuant to this division.”

“(D) Be incompatible with the public trust, as applicable, or occupy, fill, or encroach upon state tide ~~lands, and~~ submerged lands, ~~or the public trust.~~”

SUPPORT

None received

OPPOSITION

None received

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