Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 1375 (Cortese) – As Amended July 2, 2026

Policy Committee: Natural Resources Vote: 13 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill exempts from the California Environmental Quality Act (CEQA) a public urban, intermodal rail station project within a long-urbanized area within the statewide passenger rail network, at which high-capacity light, commuter, and intercity rail services converge that meets 12 specified conditions.

In addition, the bill requires a lead agency, if it determines that a project is not subject to CEQA pursuant to this bill and determines to carry out that project, to file a notice of exemption (NOE) with the Office of Land Use and Climate Innovation and the county clerk of the county in which the project is located, as specified. The bill permits the CEQA exemption only for projects for which an NOE is filed pursuant to this bill before January 1, 2032.

FISCAL EFFECT:

Negligible state costs.

COMMENTS:

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

> SB 1375 establishes a targeted, criteria-based CEQA exemption tailored to the distinct realities of complex, multi-modal urban transit hubs. By recognizing the extensive environmental review, robust land-use planning, and years of deep, iterative community engagement already completed for these hubs, the bill responsibly saves time and public funds by eliminating redundant administrative delays for projects already thoroughly shaped by the public. Importantly, this measure maintains strict, legally binding compliance with all other state and federal environmental laws and regional permitting structures.

2) **Background.** 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, the lead agency prepares an initial study to determine whether the project may have a significant effect on the environment. If the initial study shows the project would not have a significant effect on the environment, the lead agency must prepare a negative

declaration. If the initial study shows that project may have a significant effect, the lead agency must prepare an Environmental Impact Report.

This bill is sponsored by the City of San Jose, which notes the CEQA exemption will help advance the modernization and expansion of Diridon Station. According to the city, the proposed station – a major transit hub integrating multiple modes and encompassing several distinct projects managed by various agencies – will seamlessly connect regional, statewide, and local transit systems, including the Altamont Corridor Express, Amtrak, Caltrain, Valley Transportation Authority, and local and intercity bus services, while delivering significant public benefits, including improvements in transit connectivity, expanded access to sustainable transportation options, support for transit-oriented housing and mixed-use development, and the creation of thousands of jobs. The City of San Jose writes:

> The exemptions provided in SB 1375 appropriately recognize the prior environmental reviews conducted for key project components while maintaining compliance with all other applicable environmental laws and permitting requirements. This approach avoids duplicative review, reduces project delivery risk, and ensures that this critical infrastructure investment can move forward in a timely and cost-effective manner.

There are numerous CEQA exemptions that could apply for rail projects; in fact, the Legislature passed two new statutory CEQA exemptions for rail stations in 2025. However, for reasons discussed in the Senate Transportation Committee's analysis of this bill, Diridon Station is not quite eligible for either exemption.

According to the Assembly Natural Resources (ANR) Committee, the lead agency for the Diridon Station project, Caltrain, has hired a consultant to begin required environmental review, including that required by CEQA and the National Environmental Policy Act (NEPA). Caltrain estimates the preferred project alternative to cost between $3 billion and $6 billion and is likely to take many years to fully fund and construct, following completion of environmental review and approval by the relevant agencies.

Aspects of the station project and area have been reviewed under CEQA at the planning and project level in recent years. Regardless of the application of CEQA, the project will require a NEPA review because of the use of federal funds. According to the ANR Committee, the CEQA exemption is expected to reduce the project review time by one year.

Analysis Prepared by: Nikita Koraddi / APPR. / (916) 319-2081