

Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 299 (Cabaldon) – As Amended June 29, 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 project that consists exclusively of a day care center, as defined, located on a parcel of land zoned exclusively for residential use, except for a project located within 3,200 feet of a facility that actively extracts or refines oil or natural gas or a project located on natural and protected lands, as defined.

FISCAL EFFECT:

Negligible state costs.

COMMENTS:

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

Last year, the Legislature enacted CEQA reform intended to streamline approval of childcare facilities. In practice, the language has limited the effectiveness of that exemption, particularly for facilities located on parcels zoned exclusively for residential use.

SB 299 provides that childcare facilities are not subject to CEQA delay where no meaningful environmental impacts are at issue. Most CEQA challenges to childcare projects in residential areas are unrelated to air, water, or natural resource protection and instead reflect local opposition to neighborhood-serving uses. SB 299 ensures families can access childcare close to home, consistent with both environmental values and community needs.

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.

Writing in support of this bill, the Rural County Representatives of California and a diverse coalition of organizations argue, “CEQA has recently been used in an attempt to derail a daycare facility in Napa.” Le Petit Elephant Nursery and Preschool (LPE) was founded in

Napa in December 2015. Ten years later, LPE sought to expand into a new facility to accommodate additional children. LPE received the necessary local approvals and was awarded state, local, and federal grants. The coalition writes:

But then local neighbors filed a lawsuit to block the project, even complaining about the impacts that would be caused by the sounds of children in their neighborhood and youth-based activities at the center. The litigation nearly derailed the project, as the delay cost LPE a pre-approved Small Business Administration Loan that could only be replaced with a high-fee bridge loan.

While SB 131 (Budget), Chapter 24, Statutes of 2025, sought to exempt day care centers from CEQA, the coalition notes the exemption does not apply to daycares in a residential area; instead, SB 131 exempts day care facilities located in commercial, industrial, or agricultural areas. This bill expands this recently enacted CEQA exemption for day care centers to projects located in residential areas.

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