SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

UNFINISHED BUSINESS

Bill No: SB 676

Author: Limón (D) and Blakespear (D), et al.

Amended: 9/2/25 Vote: 21

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 8-0, 4/2/25

AYES: Blakespear, Valladares, Dahle, Gonzalez, Hurtado, Menjivar, Padilla, Pérez

SENATE JUDICIARY COMMITTEE: 13-0, 4/22/25

AYES: Umberg, Niello, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Valladares, Wahab, Weber Pierson, Wiener

SENATE APPROPRIATIONS COMMITTEE: 6-0, 5/23/25

AYES: Caballero, Seyarto, Cabaldon, Grayson, Richardson, Wahab

NO VOTE RECORDED: Dahle

SENATE FLOOR: 39-0, 6/3/25

AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener NO VOTE RECORDED: Reyes

ASSEMBLY FLOOR: 79-0, 9/8/25 - See last page for vote

SUBJECT: California Environmental Quality Act: judicial streamlining: state of

emergency: wildfire

SOURCE: Author

DIGEST: This bill establishes expedited administrative and judicial review procedures under the California Environmental Quality Act (CEQA) for projects

that maintain, repair, restore, demolish, or replace wildfire-damaged property or facilities located in an area for which the Governor declared a state of emergency, beginning January 1, 2027.

Assembly Amendments: Specify that the project applicant must pay the costs of the trial court and court of appeal in hearing and deciding any action or proceeding brought under these provisions, and requires the Judicial Council to adopt rules of court to implement these requirements.

ANALYSIS:

Existing law:

- 1) CEQA requires lead agencies with the principal responsibility for carrying out or approving a project to prepare a negative declaration (ND), mitigated negative declaration (MND), or environmental impact report (EIR) for the project unless the project is exempt from CEQA. (Public Resources Code (PRC) §21000 et seq.)
 - a) If a project may have a significant effect on the environment, the lead agency must prepare a draft EIR. (CEQA Guidelines §15064(a)(1), (f)(1))
- 2) Established the Jobs and Economic Improvement Through Environmental Leadership Act of 2011 (AB 900, Buchanan, Chapter 354, Statutes of 2011), which established CEQA administrative and judicial review procedures for an "environmental leadership" project. The Act was later extended and modified in 2021 (SB 7, Atkins, Chapter 19, Statutes of 2021). (PRC §21178 et seq.)
- 3) Exempts emergency projects from CEQA, including:
 - a) Projects to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to the California Emergency Services Act, commencing with Section 8550 of the Government Code. This includes projects that will remove, destroy, or significantly alter an historical resource when that resource represents an imminent threat to the public of bodily harm or damage to adjacent property or when the project has received a determination by the State Office of Historic Preservation pursuant to Section 5028(b) of Public Resources Code.

- b) Emergency repairs to publicly or privately owned service facilities necessary to maintain services essential to public health, safety or welfare. Emergency repairs include those that require a reasonable amount of planning to address an anticipated emergency.
- c) Actions necessary to prevent or mitigate an emergency, as specified.
- d) Projects undertaken, carried out, or approved by a public agency to maintain, repair, or restore an existing highway damaged by fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide, provided that the project is within the existing right of way of that highway and is initiated within one year of the damage occurring. This exemption does not apply to highways designated as official state scenic highways, nor any project undertaken, carried out, or approved by a public agency to expand or widen a highway damaged by fire, flood, storm, earthquake, land subsidence, gradual earth movement, or landslide.
- e) Seismic work on highways and bridges pursuant to Section 180.2 of the Streets and Highways Code, Section 180 et seq. (CCR Tit 14 Cal., § 15269)

This bill:

- 1) Establishes CEQA streamlining for projects that are consistent with applicable zoning and land use ordinances and are in areas damaged by a fire where the Governor declared a state of emergency after January 1st, 2023.
- 2) Requires that any legal action or proceeding relevant to CEQA for a project be resolved within 270 days as feasible, and that projects prepare the administrative at the same time as they prepare the environmental review documents under CEQA.
- 3) Requires the Judicial Council to adopt rules of court to implement this requirement.
- 4) Requires the applicant to agree to pay the costs of the trial court and court of appeal, as specified.

Background

1) The A, B, C's of CEQA. CEQA is designed to (a) make government agencies and the public aware of the environmental impacts of a proposed project, (b) ensure the public can take part in the review process, and (c) identify and implement measures to mitigate or eliminate any negative impact the project may have on the environment. CEQA is enforced by civil lawsuits that can challenge any project's environmental review. Nonprofits, private individuals, public agencies, advocacy groups, and other organizations can all file lawsuits under CEQA.

Under CEQA, projects (unless they have a specific exemption) must undergo environmental analysis. This process starts with an initial study which determines what level of further environmental review is needed for a given project. If a project has no significant effects on the environment, or if those effects can be fully mitigated, the project can move forward with a negative declaration (ND) or mitigated negative declaration (MND). If the initial study finds that the project has potentially significant effects on the environment, then a full EIR is conducted. An EIR provides a thorough environmental review of a proposed project, analyzing the significant direct and indirect environmental impacts of a proposed project on water quality, transportation, air quality and greenhouse gas emissions, terrestrial and aquatic biological resources, surface and subsurface hydrology, land use and agricultural resources, aesthetics, geology and soils, recreation, public services and utilities such as water supply and wastewater disposal, and cultural resources, among other factors. The EIR also includes proposed mitigation measures for any significant effects that it identifies and considers alternatives to the proposed project.

2) CEQA timelines. Under CEQA, state and local agencies must complete and adopt a ND in 180 days, and certify an EIR within a year. If there is a compelling circumstance to extend this timeline, agencies may take longer, but only if the project applicant consents. Potentially the longest portion of the CEQA process occurs if there is a CEQA lawsuit against the project. Judicial Council asserts that it often takes over six months just for a CEQA case to get a hearing, let alone reach a decision.

To help speed CEQA cases through the court system, current law provides several measures to prioritize CEQA cases and speed up judicial review, including:

- a) The Superior Court and the Court of Appeal must give CEQA lawsuits preference over all other civil actions;
- b) If feasible, the Court of Appeal must hear a CEQA appeal within one year of filing;
- c) Discovery is generally not allowed, as CEQA cases are generally restricted to review of the record; and
- d) Counties with a population of over 200,000 must designate one or more judges to develop expertise on CEQA and hear CEQA cases.
- 3) CEQA streamlining. The Legislature has developed even further streamlining measures to speed any CEQA lawsuits against specified projects through the courts. In existing law, CEQA streamlining entails both judicial and administrative streamlining. Judicial streamlining requires that a CEQA lawsuit be heard in 270 days, including all appeals, as feasible. Administrative streamlining requires projects to prepare the administrative record, the comprehensive document at the heart of a CEQA case, at the same time as the environmental review documents are prepared. Preparing these documents concurrently, instead of sequentially, saves time if there is a lawsuit. These streamlining measures shorten what is potentially the lengthiest portion of the CEQA process—litigation—while retaining the full environmental review and public engagement offered under CEQA.

In 2011, the Legislature passed the first CEQA streamlining certification program with the Jobs and Economic Improvement Through Environmental Leadership Act (Leadership Act), which created CEQA streamlining for residential, retail, commercial, sports, and recreational use projects that were certified as Environmental Leadership Development Projects (ELDP) by the Governor (AB 900, Buchanan, Chapter 354, Statutes of 2011). The ELDP program was further extended and modified in 2021 with (SB 7, Atkins, Chapter 19, Statutes of 2021).

In 2023, The Legislature expanded these same streamlining provisions again for certain energy, transportation, and water infrastructure projects (SB 149, Caballero, Chapter 60, Statutes of 2023).

The specific criteria that projects must meet to be eligible for CEQA streamlining vary by project and process, but all are intended to ensure that projects meet high environmental and labor standards. In current law, environmental criteria for streamlining includes requirements such as achieving Leadership in Energy and Environmental Design (LEED) Gold certification

and being greenhouse gas neutral. SB 149 (Caballero, Chapter 60, Statutes of 2023) also includes a specific equity provision which requires that projects both minimize significant environmental impacts in disadvantaged communities and take mitigation measures that directly benefit the affected community. In offering CEQA streamlining for projects that meet these high standards, California has been able to promote projects that align with the State's environmental, climate, and labor goals.

4) Los Angeles fires and increasing wildfire danger. In January 2025, a number of deadly wildfires in Los Angeles, including the Palisades and Eaton fires, burned through 40,306 acres, most of which were in Altadena and Pacific Palisades. These Los Angeles wildfires caused at least 29 deaths, destroyed over 16,000 structures, and resulted in property damage estimates ranging from \$28 to \$53.8 billion. Following these devastating fires, Governor Newsom released EO N-4-25, which specified that repair and rebuild for projects damaged by the LA wildfires and future emergency-status fires would be exempt from CEQA in order to speed up recovery from the wildfire.

Comments

- Purpose of Bill. According to the author, "The LA wildfires, Eaton and Palisades have reportedly caused property losses close to \$53 billion. In addition, a few weeks prior to the LA wildfires, the Mountain Fire in Camarillo destroyed 243 structures. As wildfire risks continue to rise every year, it is imperative that we ensure affected communities can be restored after a disaster. By adding consistency to the community rebuilding process, SB 676 aims to support the state's wildfire resiliency efforts."
- 2) Bookending CEQA: exemptions and streamlining. Projects to rebuild following a Governor-declared emergency, like the LA Wildfires, are already exempt from CEQA under existing law. This removes CEQA review on the front end of the CEQA process.

However, for numerous reasons, property owners may choose to build something substantially different from what was burned down, in which case they are not exempt from CEQA under existing law. For those projects in these burned areas, SB 676 shortens the amount of time for CEQA on the back end if a project is sued by capping the judicial review time to 270 days, as feasible.

¹ Palisades and Eaton wildfires caused up to \$53.8 billion in property damage, study finds – Orange County Register

This cap on judicial review time adds certainty for project developers that their projects will not get mired in CEQA lawsuits.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the assembly appropriations committee, the bill will result in: "Ongoing cost pressures (Trial Court Trust Fund (TCTF), General Fund) of an unknown but potentially significant amount, possibly in the hundreds of thousands to millions of dollars, to the courts to process and hear CEQA challenges within the timeframes prescribed by the bill. Judicial Council is unable to determine how many CEQA non-compliance challenges may be brought, but given the widespread damage wildfires can cause throughout the state in any given year, Judicial Council estimates this bill would significantly affect court calendars where a fire emergency has occurred – particularly in the state's smallest courts in more rural parts of the state (where wildfires are typically more common), which typically have fewer resources. Previous bills authorizing CEQA streamlining have generally been for more specific projects and have typically required a higher filing fee of \$180,000 to ensure the courts have the resources needed to timely adjudicate complicated CEQA cases. This bill does not provide the courts the authority to charge higher filing fees and does not offer the courts additional resources to handle the higher anticipated workload. Although courts are not funded on the basis of workload, increased pressure on the TCTF may create a demand for increased funding for courts from the General Fund. The fiscal year (FY) 2025-26 state budget provides \$82 million ongoing General Fund to the TCTF for court operations. Judicial Council notes, beginning with FY 2024–25, the trial courts have an ongoing \$55 million reduction to their operational funding, which impacts their ability to provide core services, and more workload for the courts will further stretch court resources and may impact access to justice.

Judicial Council anticipates minor and absorbable costs to adopt the required rules of court. However, Judicial Council notes that while other existing CEQA judicial streamlining rules are specific to a project or designation (environmental leadership projects, for example), this bill includes such broad applicability that it will not fit within existing rules of court. Judicial Council will require more time to craft a clear and concise rule that incorporates the requirements of the bill, and anticipates needing a year delayed implementation to draft, approve, and obtain public comment on any new rules of court."

SUPPORT: (Verified 9/8/25)

California Apartment Association County of Ventura League of California Cities

OPPOSITION: (Verified 9/8/25)

None received

Assembly Floor, 79-0, 9/8/25

Ayes: 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, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, 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

Noes:

No Vote Recorded: Nguyen

Prepared by: Brynn Cook / E.Q. / (916) 651-4108 9/8/25 19:51:48

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