

# 2025 CEQA Updates

*AB 130 &  
SB 131*

# Why?



HOUSING CRISIS AND STATE  
PRODUCTION GOALS



LONG PERMITTING  
TIMELINES AND CEQA  
LITIGATION ABUSE



GOVERNOR'S PRIORITY TO  
ACCELERATE HOUSING AND  
INFRASTRUCTURE

# Introduction to AB 130 & SB 131



SIGNED INTO LAW ON  
JUNE 30, 2025



INCLUDED IN STATE  
BUDGET TRAILER BILLS



EFFECTIVE  
IMMEDIATELY

# AB 130: Overview

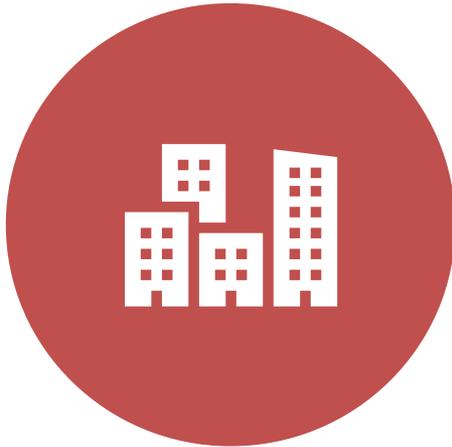
Creates new CEQA statutory exemption for qualifying infill housing projects.

Streamlines approval process for housing on eligible sites.

Creates state-wide fee-based VMT mitigation bank.

# AB 130: CEQA Exemption Overview

*Public Resources Code §21080.66*



URBAN INFILL SITE UP TO 20 ACRES  
(5 ACRES FOR BUILDER'S REMEDY SITES)



QUALIFYING SITES ONLY

# Eligibility Criteria



Housing project: 2/3 residential (could be less for certain projects)



Census Bureau-defined urban areas



Infill or previously developed sites



Consistent with General Plan and Zoning Ordinance



Meet at least 50% of the minimum density for housing element sites “Mullin Density”

# Scope & Limits



Cannot demolish structures listed on the historic register



Excludes certain sensitive locations

Hazardous sites  
Sensitive lands (e.g. prime farmland, wetlands, etc.)



No transient lodging



Subject to time-limited tribal consultation



Requires COA for Phase 1 Assessment

# AB130 compared to other CEQA exemptions

	AB130	Affordable housing (AB 1449; PRC § 21080.40)	Low income housing (PRC § 21159.23)	Infill exemption (PRC §21159.24)	Sustainable community projects (PRC § 21155.1)	Class 32 (Guidelines § 15332; PRC § 21159.25)
Below market rate housing required	No	Yes, 100% + CTCAC agreement	Yes, 100%	Yes, inclusionary or in lieu fee	Yes, 20 % mod for sale, 10% low rental, 5% very low, or in lieu fee or open space	No
Prior EIR required	No	No	Yes	Yes	Yes	Yes
Labor requirements	Yes- Labor Code 218.8, more if over 85' or 100% affordable housing	Yes, prevailing wage	No	No	No	No
Notable limits	<ul style="list-style-type: none"> <li>- Urban &amp; infill</li> <li>- 20 acres max</li> <li>- GP/zoning consistency</li> </ul>	<ul style="list-style-type: none"> <li>- Urban &amp; infill</li> <li>- Served by utilities</li> </ul>	<ul style="list-style-type: none"> <li>- Urban &amp; infill</li> <li>- 5 acres max</li> <li>- 100 units max</li> </ul>	<ul style="list-style-type: none"> <li>- Urban &amp; infill</li> <li>- 4 acres max</li> <li>- 100 units max</li> <li>- ½ mile of major transit</li> </ul>	<ul style="list-style-type: none"> <li>- 200 units max</li> <li>- 8 acres max</li> <li>- ½ mile of major transit</li> <li>- Consistency with SCS or ACS</li> </ul>	<ul style="list-style-type: none"> <li>- Urban &amp; infill</li> <li>- 5 acres max</li> <li>- No significant impacts</li> <li>- GP consistency</li> <li>- Unusual circumstances &amp; other exceptions</li> </ul>

\* Modified from Holland & Knight AB130& SB131 presentation-[Blowing up the 3rd Rail of California Politics! AB 130 and SB 131 2025](#)

# SB 131: What It Does

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Expands CEQA exemptions for public infrastructure & housing



Introduces 'near-miss' CEQA streamlining for housing projects

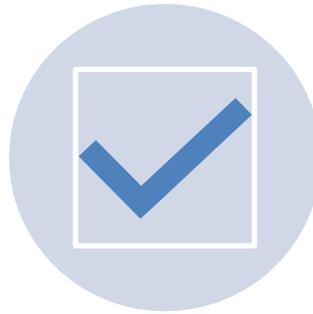
# SB 131: Near-Miss Housing Projects

- Limited CEQA review if only one disqualifying condition;
  - Focuses only on the environmental impacts of that one specific condition;
  - Excludes alternatives analysis and growth-inducing impacts from IS/EIR; and
  - Builder remedy projects limited to under 4 acres.
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# SB 131: Rezoning CEQA Exemption



EXEMPTS LOCAL REZONING  
ACTIONS ALIGNED WITH  
HOUSING ELEMENT



ENCOURAGES TIMELY  
REZONES WITHOUT FULL CEQA  
ANALYSIS



EXCEPTIONS: DISTRIBUTION  
CENTERS, OIL & GAS,  
NATURAL/PROTECTED LANDS

# SB 131: CEQA Exemptions



Parks & nonmotorized trails,  
wildfire mitigation



Daycare centers



Broadband deployment in  
right of way



Small scale water systems &  
certain water & sewer  
infrastructure projects

# SB 131: CEQA Exemptions



Nonprofit food banks



Health centers and rural health clinics



Advanced manufacturing



Housing element rezones  
& Agricultural employee housing

# SB 131: CEQA Admin Record Reform

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**Limits scope of CEQA  
administrative record**



**Excludes internal drafts not  
shared with decisionmakers**

# AB 130 & SB 131: Additional Reforms



HCD given greater control over the methodology to identify RHNA targets.



Building Code freeze until 2031.



SB330 (Housing Crisis Act of 2019) reforms made permanent.

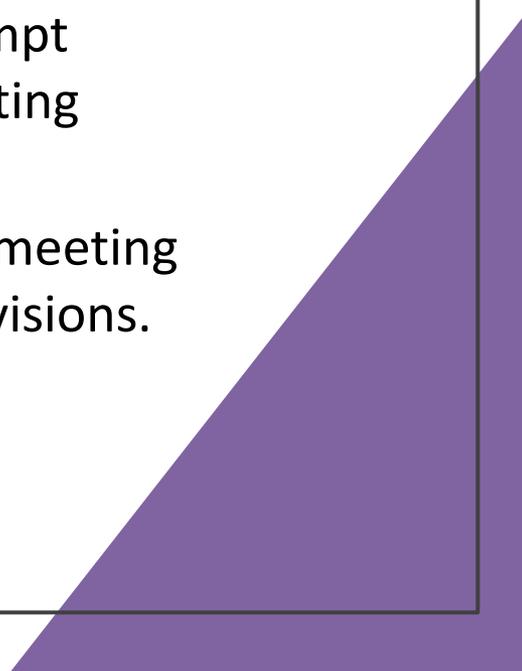


Ministerial approvals subject to Permit Streamlining Act and new shot clocks.

# Housing Development Project Streamlining

- Removes sunset provisions on 5 hearing rule and other Housing Accountability Act (HAA) and Permit Streamlining Act (PSA) provisions;
- California Coastal Commission now subject to PSA regarding housing development projects; and
- Tightens other PSA deadlines.
- *See also SB 158 clarifying AB 130 & SB 131.*

# Immediate Implications

- Applicable to projects in current review pipelines;
  - Eligible infill projects and other newly exempt projects likely to move through the permitting process faster;
  - Reduce CEQA analysis/review for projects meeting the new exemptions or limited review provisions.
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# SB 489: Written Policy & Procedures & Permit Streamlining Act

- Requires LAFCo's written policies and procedures to include any forms necessary for a complete application concerning a change in ownership or reorganization.
  - Requires all these documents to be posted on LAFCo's website.
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# Key Takeaways

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FASTER PROJECT  
APPROVALS



LIMITED CEQA REVIEW  
FOR HOUSING AND  
OTHER KEY PROJECTS



MULTIPLE EXEMPTIONS  
AND STREAMLINING  
PATHS NOW AVAILABLE