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Public Law Update - SB 158 Amends Major CEQA Reform Bills AB 130 and SB 131

On October 11, 2025, Governor Gavin Newsom signed Senate Bill 158 (“SB 158”), a “clean-up” bill for Assembly Bill 130 (“AB 130”) and Senate Bill 131 (“SB 131”). AB 130 and SB 131, signed into law on June 30, 2025, [enacted major California Environmental Quality Act \(“CEQA”\) reforms to accelerate development and boost housing affordability](#). As a trailer bill, SB 158 became effective immediately upon enactment.

Among other things, AB 130 established a new statutory CEQA exemption (PRC § 21080.66) for infill housing projects meeting certain criteria. SB 158 makes several amendments to this exemption. First, SB 158 lowers the maximum size of a Builder’s Remedy project utilizing the AB 130 infill exemption from 5 acres to 4 acres. Second, SB 158 clarifies that projects that qualify for the AB 130 infill exemption must be approved or denied within 30 days of the later of: (1) the conclusion of the applicable tribal consultation process; or (2) the date on which the housing development application is deemed consistent with applicable objective standards. This second change provides more certainty regarding the 30-day deadline to approve an AB 130 infill project; the timelines for identifying inconsistencies with applicable objective standards remain the same. Third, the lead agency for any housing project using the AB 130 infill exemption must now file a notice of exemption with the county clerk and the Governor’s Office of Land Use & Climate Innovation (LCI) (formerly the Office of Planning and Research (OPR)), whereas filing a notice of exemption was previously optional.

Under SB 131, housing development projects that nearly qualify for a statutory or categorical CEQA exemption, but fall short due to a “single condition,” are now eligible for a streamlined review process whereby these “near miss” projects are subject only to review of the environmental effects of the disqualifying single condition, not the full CEQA checklist. SB 158 clarifies that builder’s remedy projects greater than four acres may not utilize the “near miss” provision.

SB 158’s other changes to SB 131 include revising the definition of “natural and protected lands” to include lands that are identified for conservation in an adopted natural community conservation plan or other natural resource protection plan. SB 158 also renumbers and makes non-substantive changes to the exemptions for new

agricultural employee housing projects and projects consisting exclusively of the repair or maintenance of an existing farmworker housing project. Finally, SB 158 appropriates \$2,106,000 to LCI to support implementation of SB 131.

Burke, Williams & Sorensen, LLP regularly advises clients on legal matters relating to CEQA, land use, and planning issues.

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