

CEQA Ballot Measure

Initiative #25-0023A1: *“Modifies Environmental Review for Certain Projects”*

Introduction



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Context

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 - Most projects are approved via a CEQA exemption
 - Of those requiring environmental review, less than 2% of those projects result in litigation
 - CEQA compliance represents a fraction of project costs (0.025-0.6%)
 - Source: Housing Workshop's 2025 CEQA Report
- Implementation of recent CEQA legislation (e.g., SB 131 and AB 130) still underway

Overview of Measure

- **Ballot box CEQA reform**
 - Limited ability of Legislature to amend
- **Expedites permitting and CEQA process for “essential projects”**
 - Reduced discretion for local agencies
 - Project applicants would have more control over environmental review process
- **Strict deadlines throughout review process**
 - Impact on smaller, less resourced cities
- **Expands scope of Permit Streamlining Act**

Covered Projects

- Covers eight broad categories of projects; specific project types could include:
 - Data centers*
 - Sprawl development (no scale or siting restrictions)
 - Oil and CO₂ pipelines
 - Natural gas power plants
 - Biomass and waste incineration projects
 - Highways
- Definitions of covered projects must be interpreted broadly



**Legal scholar Eric Biber of UC Berkeley Law writes that data centers may fall within the Initiative's expansive project definitions.*

Environmental Review and Litigation

- **Shifts control of environmental review process**
 - Applicants choose standards against which project impacts are evaluated
 - Applicants can choose to analyze a single alternative, rather than a range; agencies are then prohibited from evaluating additional alternatives
 - Removes requirement to analyze alternative sites
- **Grants applicants the right to sue cities and counties under CEQA for denying projects or imposing conditions of approval**
 - No indemnification for local agencies over these types of lawsuits

Shifts Control From Agencies to Applicants

Example: What this could mean in practice

- East LA Oil spill (*May 22, 2026*)
 - Workers drilled into an active pipeline while installing fiber-optic cables, releasing ~2,400 gallons of oil
 - Could have been avoided by checking state pipeline registries
 - Initiative could make it more difficult for agencies to prevent similar emergencies



Impacts to Smaller Cities

- **Smaller cities likely to be most impacted by strict deadlines**
 - Imposing PSA deadlines on large, complex projects (e.g. large sprawl development)
 - Caps comment periods; may be extended only by court order
 - Requires agencies to approve or deny project at same meeting where they certify the EIR
 - 1 day allowed for a responsible agency to issue discretionary permits after EIR certification

