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## SB-7 Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021. (2021-2022)

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### Senate Bill No. 7

#### CHAPTER 19

An act to add and repeal Chapter 6.5 (commencing with Section 21178) of Division 13 of the Public Resources Code, relating to environmental quality, and declaring the urgency thereof, to take effect immediately.

[ Approved by Governor May 20, 2021. Filed with Secretary of State May 20, 2021. ]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 7, Atkins. Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021.

(1) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that the lead agency proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

The Jobs and Economic Improvement Through Environmental Leadership Act of 2011 (former leadership act), which was repealed by its own terms on January 1, 2021, authorized the Governor, until January 1, 2020, to certify projects that meet certain requirements, including specified labor-related requirements and a requirement that the project applicant agrees to pay the costs of the court of appeal in hearing and deciding a case challenging a lead agency's action on a certified project, for streamlining benefits provided by the former leadership act related to CEQA. The former leadership act also required resolution, to the extent feasible, of judicial review of action taken by a lead agency within 270 days of the filing of the certified record of proceedings with the court. The former leadership act provided that if a lead agency fails to approve a project certified by the Governor before January 1, 2021, the certification expires and is no longer valid. The former leadership act required a lead agency to prepare the record of proceedings for the certified project concurrent with the preparation of the EIR.

This bill would enact the Jobs and Economic Improvement Through Environmental Leadership Act of 2021, which would reenact the former leadership act, with certain changes, and would authorize the Governor, until January 1, 2024, to certify projects that meet specified requirements for streamlining benefits related to CEQA. The bill would additionally include housing development projects, as defined, meeting certain conditions as projects eligible for certification. The bill would, except for those housing development projects, require the quantification and mitigation of the impacts of a project from the emissions of greenhouse gases, as provided. The bill would revise and recast the labor-related requirements for projects undertaken by both public agencies and private entities. The bill would provide that the Governor is authorized to certify a project before the lead agency certifies the final EIR for the project. The bill would provide for the certification by the Governor of a project alternative described in an EIR for a certified project, as provided. The bill would additionally require an applicant for certification of a project for which the environmental review has begun to demonstrate that the record of proceedings for the project is being prepared concurrently

with the administrative process. The bill would require the project applicant, as a condition of certification, to agree to pay the costs of the trial court in hearing and deciding a case challenging a lead agency's action on a certified project. The bill would authorize the Office of Planning and Research to charge a fee to an applicant seeking certification for costs incurred by the Governor's office in the implementation of the Jobs and Economic Improvement Through Environmental Leadership Act of 2021. The bill would require resolution, to the extent feasible, of judicial review of action taken by a lead agency within 270 days after the filing of the record of proceedings with the court. The bill would provide that if a lead agency fails to approve a project certified by the Governor under the Jobs and Economic Improvement Through Environmental Leadership Act of 2021 before January 1, 2025, the certification is no longer valid. The bill would repeal the Jobs and Economic Improvement Through Environmental Leadership Act of 2021 on January 1, 2026. Because the bill would require the lead agency to prepare concurrently the record of proceedings for projects that are certified by the Governor, this bill would impose a state-mandated local program.

This bill would further provide that projects certified by the Governor under the former leadership act before January 1, 2020, and that are approved by a lead agency on or before January 1, 2022, are entitled to the benefits of and are required to comply with the requirements set forth in the former leadership act as it read on January 1, 2020.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3 Appropriation: no Fiscal Committee: yes Local Program: yes

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## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Chapter 6.5 (commencing with Section 21178) is added to Division 13 of the Public Resources Code, to read:

### **CHAPTER 6.5. Jobs and Economic Improvement Through Environmental Leadership Act of 2021**

**21178.** The Legislature finds and declares all of the following:

(a) The California Environmental Quality Act (Division 13 (commencing with Section 21000)) requires that the environmental impacts of development projects be identified and mitigated.

(b) The California Environmental Quality Act also guarantees the public an opportunity to review and comment on the environmental impacts of a project and to participate meaningfully in the development of mitigation measures for potentially significant environmental impacts.

(c) There are large projects under consideration in various regions of the state that would replace old and outmoded facilities with new job-creating facilities to meet those regions' needs while also establishing new, cutting-edge environmental benefits in those regions.

(d) These projects are privately financed or financed from revenues generated from the projects themselves and do not require taxpayer financing.

(e) These projects will further generate thousands of full-time jobs during construction and thousands of additional, permanent jobs once the projects are constructed and operating.

(f) These projects also present an unprecedented opportunity to implement nation-leading innovative measures that will significantly reduce traffic, air quality, and other significant environmental impacts, and fully mitigate the greenhouse gas emissions resulting from passenger vehicle trips attributed to the projects.

(g) These pollution reductions will be the best in the nation compared to other comparable projects in the United States.

(h) The purpose of this chapter is to provide, for a limited time, unique and unprecedented streamlining benefits under the California Environmental Quality Act for projects that provide the benefits described above to put people to work as soon as possible.

**21180.** For purposes of this chapter, the following definitions apply:

(a) "Applicant" means a public or private entity or its affiliates, or a person or entity that undertakes a public works project, that proposes a project and its successors, heirs, and assignees.

(b) "Environmental leadership development project," "leadership project," or "project" means a project as described in Section 21065 that is one of the following:

(1) A residential, retail, commercial, sports, cultural, entertainment, or recreational use project that is certified as Leadership in Energy and Environmental Design (LEED) gold or better by the United States Green Building Council and, where applicable, that achieves a 15-percent greater standard for transportation efficiency than for comparable projects. These projects must be located on an infill site. For a project that is within a metropolitan planning organization for which a sustainable communities strategy or alternative planning strategy is in effect, the infill project shall be consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board has accepted a metropolitan planning organization's determination, under subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.

(2) A clean renewable energy project that generates electricity exclusively through wind or solar, but not including waste incineration or conversion.

(3) A clean energy manufacturing project that manufactures products, equipment, or components used for renewable energy generation, energy efficiency, or for the production of clean alternative fuel vehicles.

(4) (A) A housing development project that meets all of the following conditions:

(i) The housing development project is located on an infill site.

(ii) For a housing development project that is located within a metropolitan planning organization for which a sustainable communities strategy or alternative planning strategy is in effect, the project is consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board has accepted a metropolitan planning organization's determination, under subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, that the sustainable communities strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets.

(iii) Notwithstanding paragraph (1) of subdivision (a) of Section 21183, the housing development project will result in a minimum investment of fifteen million dollars (\$15,000,000), but less than one hundred million dollars (\$100,000,000), in California upon completion of construction.

(iv) (I) Except as provided in subclause (II), at least 15 percent of the housing development project is dedicated as housing that is affordable to lower income households, as defined in Section 50079.5 of the Health and Safety Code. Upon completion of a housing development project that is qualified under this paragraph and is certified by the Governor, the lead agency or applicant of the project shall notify the Office of Planning and Research of the number of housing units and affordable housing units established by the project.

(II) Notwithstanding subclause (I), if a local agency has adopted an inclusionary zoning ordinance that establishes a minimum percentage for affordable housing within the jurisdiction in which the housing development project is located that is higher than 15 percent, the percentage specified in the inclusionary zoning ordinance shall be the threshold for affordable housing.

(v) (I) Except for use as a residential hotel, as defined in Section 50519 of the Health and Safety Code, no part of the housing development project shall be used for a rental unit for a term shorter than 30 days, or designated for hotel, motel, bed and breakfast inn, or other transient lodging use.

(II) No part of the housing development project shall be used for manufacturing or industrial uses.

(B) For purposes of this paragraph, "housing development project" means a project for any of the following:

(i) Residential units only.

(ii) Mixed-use developments consisting of residential and nonresidential uses with at least two-thirds of the square footage designated for residential use.

(iii) Transitional housing or supportive housing.

(c) "Infill site" has the same meaning as set forth in Section 21061.3.

(d) "Transportation efficiency" means the number of vehicle trips by employees, visitors, or customers of the residential, retail, commercial, sports, cultural, entertainment, or recreational use project divided by the total number of employees, visitors, and customers.

**21181.** This chapter does not apply to a project if the Governor does not certify the project as an environmental leadership development project eligible for streamlining under this chapter before January 1, 2024.

**21182.** A person proposing to construct a leadership project may apply to the Governor for certification that the leadership project is eligible for streamlining as provided by this chapter. The person shall supply evidence and materials that the Governor deems necessary to make a decision on the application. Any evidence or materials shall be made available to the public at least 15 days before the Governor certifies a project under this chapter.

**21183.** The Governor may certify a leadership project for streamlining before a lead agency certifies a final environmental impact report for a project under this chapter if all the following conditions are met:

(a) (1) Except as provided in paragraph (2), the project will result in a minimum investment of one hundred million dollars (\$100,000,000) in California upon completion of construction.

(2) Paragraph (1) does not apply to a leadership project described in paragraph (4) of subdivision (b) of Section 21180.

(b) The project creates high-wage, highly skilled jobs that pay prevailing wages and living wages, provides construction jobs and permanent jobs for Californians, helps reduce unemployment, and promotes apprenticeship training. For purposes of this subdivision, a project is deemed to create jobs that pay prevailing wages, create highly skilled jobs, and promote apprenticeship training if the applicant demonstrates to the satisfaction of the Governor that the project will comply with Section 21183.5.

(c) (1) For a project described in paragraph (1), (2), or (3) of subdivision (b) of Section 21180, the project does not result in any net additional emission of greenhouse gases, including greenhouse gas emissions from employee transportation. For purposes of this paragraph, a project is deemed to meet the requirements of this paragraph if the applicant demonstrates to the satisfaction of the Governor that the project will comply with Section 21183.6.

(2) For a project described in paragraph (4) of subdivision (b) of Section 21180, the project does not result in any net additional emission of greenhouse gases, including greenhouse gas emissions from employee transportation.

(d) The applicant demonstrates compliance with the requirements of Chapter 12.8 (commencing with Section 42649) and Chapter 12.9 (commencing with Section 42649.8) of Part 3 of Division 30, as applicable.

(e) The applicant has entered into a binding and enforceable agreement that all mitigation measures required under this division to certify the project under this chapter shall be conditions of approval of the project, and those conditions will be fully enforceable by the lead agency or another agency designated by the lead agency. In the case of environmental mitigation measures, the applicant agrees, as an ongoing obligation, that those measures will be monitored and enforced by the lead agency for the life of the obligation.

(f) The applicant agrees to pay the costs of the trial court and the court of appeal in hearing and deciding any case challenging a lead agency's action on a certified project under this division, including payment of the costs for the appointment of a special master if deemed appropriate by the court, in a form and manner specified by the Judicial Council, as provided in the California Rules of Court adopted by the Judicial Council under Section 21185.

(g) The applicant agrees to pay the costs of preparing the record of proceedings for the project concurrent with review and consideration of the project under this division, in a form and manner specified by the lead agency for the project.

(h) For a project for which environmental review has commenced, the applicant demonstrates that the record of proceedings is being prepared in accordance with Section 21186.

**21183.5.** (a) For purposes of this section, the following definitions apply:

(1) "Project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(2) "Skilled and trained workforce" has the same meaning as set forth in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(b) (1) For a project undertaken by a public agency that is certified under this chapter, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the project

unless the entity provides an enforceable commitment to the public agency that the entity and its contractors and subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:

(A) The public agency has entered into a project labor agreement that will bind all contractors and subcontractors at every tier performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the public agency before January 1, 2021.

(C) The entity has entered into a project labor agreement that will bind the entity and all of its contractors and subcontractors at every tier performing work on the project or contract to use a skilled and trained workforce.

(c) For a project undertaken by a private entity that is certified under this chapter, the applicant shall do both of the following:

(1) Certify to the lead agency that either of the following is true:

(A) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the project is not in its entirety a public work, all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations under Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this subparagraph, then, for those portions of the project that are not a public work, all of the following shall apply:

(i) The applicant shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) All contractors and subcontractors at every tier shall pay to all construction workers employed in the execution of the work on the project or contract at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(iii) (I) Except as provided in subclause (III), all contractors and subcontractors at every tier shall maintain and verify payroll records under Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(II) Except as provided in subclause (III), the obligation of all contractors and subcontractors at every tier to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment under Section 1741 of the Labor Code, which may be reviewed under Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages under Section 1742.1 of the Labor Code.

(III) Subclauses (I) and (II) do not apply if all contractors and subcontractors at every tier performing work on the project or contract are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project or contract and provides for enforcement of that obligation through an arbitration procedure.

(iv) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted under Section 511 or 514 of the Labor Code.

(2) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the project or contract. All of the following requirements shall apply to the project:

(A) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the project.

(B) Every contractor and subcontractor at every tier shall use a skilled and trained workforce to complete the project.

(C) (i) Except as provided in clause (ii), the applicant shall provide to the lead agency, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency under this clause shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars (\$10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars (\$200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments under Section 1741 of the Labor Code, and may be reviewed under the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(ii) Clause (i) does not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

**21183.6.** (a) The quantification and mitigation of the impacts of a project described in paragraph (1), (2), or (3) of subdivision (b) of Section 21180 from the emissions of greenhouse gases shall be as follows:

(1) The environmental baseline for greenhouse gas emissions shall be established based upon the physical environmental conditions in the vicinity of the project site at the time the application is submitted in a manner consistent with Section 15125 of Title 14 of the California Code of Regulations as those regulations existed on January 1, 2021.

(2) The mitigation of the impacts resulting from the emissions of greenhouse gases shall be achieved in accordance with the following priority:

(A) Direct emissions reductions from the project that also reduce emissions of criteria air pollutants or toxic air contaminants through implementation of project features, project design, or other measures, including, but not limited to, energy efficiency, installation of renewable energy electricity generation, and reductions in vehicle miles traveled.

(B) If all of the project impacts cannot be feasibly and fully mitigated by direct emissions reductions as described in subparagraph (A), the remaining unmitigated impacts shall be mitigated by direct emissions reductions that also reduce emissions of criteria air pollutants or toxic air contaminants within the same air pollution control district or air quality management district in which the project is located.

(C) If all of the project impacts cannot be feasibly and fully mitigated by direct emissions reductions as described in subparagraph (A) or (B), the remaining unmitigated impacts shall be mitigated through the use of offsets that originate within the same air pollution control district or air quality management district in which the project is located. The offsets shall be undertaken in a manner consistent with Division 25.5 (commencing with Section 38500) of the Health and Safety Code, including, but not limited to, the requirement that the offsets be real, permanent, quantifiable, verifiable, and enforceable, and shall be undertaken from sources in the community in which the project is located or in adjacent communities.

(D) If all of the project impacts cannot be feasibly and fully mitigated by the measures described in subparagraph (A), (B), or (C), the remaining unmitigated impacts shall be mitigated through the use of offsets that originate from sources that provide a specific, quantifiable, and direct environmental and public health benefit to the region in which the project is located.

(b) It is the intent of the Legislature, in enacting this section, to maximize the environmental and public health benefits from measures to mitigate the project impacts resulting from the emissions of greenhouse gases to those people that are impacted most by the project.

**21184.** (a) The Governor may certify a project for streamlining under this chapter if it complies with the conditions specified in Section 21183.

(b) (1) Before certifying a project, the Governor shall make a determination that each of the conditions specified in Section 21183 have been met. These findings are not subject to judicial review.

(2) (A) If the Governor determines that a leadership project is eligible for streamlining under this chapter, the Governor shall submit that determination, and any supporting information, to the Joint Legislative Budget Committee for review and concurrence or nonconcurrence.

(B) Within 30 days of receiving the determination, the Joint Legislative Budget Committee shall concur or nonconcur in writing on the determination.

(C) If the Joint Legislative Budget Committee fails to concur or nonconcur on a determination by the Governor within 30 days of the submittal, the leadership project is deemed to be certified.

(c) The Governor may issue guidelines regarding application and certification of projects under this chapter. Any guidelines issued under this subdivision are not subject to the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

**21184.5.** (a) Notwithstanding any other law, except as provided in subdivision (b), a multifamily residential project certified under this chapter shall provide unbundled parking, such that private vehicle parking spaces are priced and rented or purchased separately from dwelling units.

(b) Subdivision (a) shall not apply if the dwelling units are subject to affordability restrictions in law that prescribe rent or sale prices, and the cost of parking spaces cannot be unbundled from the cost of dwelling units.

**21184.7.** The Office of Planning and Research may charge a fee to an applicant seeking certification under this chapter for the costs incurred by the Governor's office in implementing this chapter.

**21185.** The Judicial Council shall adopt a rule of court to establish procedures that require actions or proceedings brought to attack, review, set aside, void, or annul the certification of an environmental impact report for an environmental leadership development project certified by the Governor under this chapter or the granting of any project approvals that require the actions or proceedings, including any potential appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the court.

**21186.** Notwithstanding any other law, the preparation and certification of the record of proceedings for a leadership project certified by the Governor shall be performed in the following manner:

(a) The lead agency for the project shall prepare the record of proceedings under this division concurrently with the administrative process.

(b) All documents and other materials placed in the record of proceedings shall be posted on, and be downloadable from, an internet website maintained by the lead agency commencing with the date of the release of the draft environmental impact report.

(c) The lead agency shall make available to the public in a readily accessible electronic format the draft environmental impact report and all other documents submitted to, or relied on by, the lead agency in preparing the draft environmental impact report.

(d) Any document prepared by the lead agency or submitted by the applicant after the date of the release of the draft environmental impact report that is a part of the record of the proceedings shall be made available to the public in a readily accessible electronic format within five days after the document is released or received by the lead agency.

(e) The lead agency shall encourage written comments on the project to be submitted in a readily accessible electronic format, and shall make any comment available to the public in a readily accessible electronic format within five days of its receipt.

(f) Within seven days after the receipt of any comment that is not in an electronic format, the lead agency shall convert that comment into a readily accessible electronic format and make it available to the public in that format.

(g) Notwithstanding paragraphs (b) to (f), inclusive, documents submitted to or relied on by the lead agency that were not prepared specifically for the project and are copyright protected are not required to be made readily accessible in an electronic format. For those copyright-protected documents, the lead agency shall make an index of these documents available in an electronic format no later than the date of the release of the draft environmental impact report, or within five days if the document is received or relied on by the lead agency after the release of the draft environmental impact report. The index must specify the libraries or lead agency offices in which hardcopies of the copyrighted materials are available for public review.

(h) The lead agency shall certify the final record of proceedings within five days of its approval of the project.

(i) Any dispute arising from the record of proceedings shall be resolved by the superior court. Unless the superior court directs otherwise, a party disputing the content of the record shall file a motion to augment the record at the time it files its initial brief.

(j) The contents of the record of proceedings shall be as set forth in subdivision (e) of Section 21167.6.

**21187.** Within 10 days of the Governor certifying an environmental leadership development project under this chapter, a lead agency shall, at the applicant's expense, issue a public notice in no less than 12-point type stating the following:

"THE APPLICANT HAS ELECTED TO PROCEED UNDER CHAPTER 6.5 (COMMENCING WITH SECTION 21178) OF DIVISION 13 OF THE PUBLIC RESOURCES CODE, WHICH PROVIDES, AMONG OTHER THINGS, THAT ANY JUDICIAL ACTION CHALLENGING THE CERTIFICATION OF THE ENVIRONMENTAL IMPACT REPORT (EIR) OR THE APPROVAL OF THE PROJECT DESCRIBED IN THE EIR IS SUBJECT TO THE PROCEDURES SET FORTH IN SECTIONS 21185 TO 21186, INCLUSIVE, OF THE PUBLIC RESOURCES CODE. A COPY OF CHAPTER 6.5 (COMMENCING WITH SECTION 21178) OF DIVISION 13 OF THE PUBLIC RESOURCES CODE IS INCLUDED BELOW."

The public notice shall be distributed by the lead agency as required for public notices issued under paragraph (3) of subdivision (b) of Section 21092.

**21187.5.** (a) For purposes of this section, "project alternative" means an alternative studied in a leadership project's environmental impact report under Section 15126.6 of Title 14 of the California Code of Regulations as those regulations existed on January 1, 2021.

(b) Before a lead agency's approval of a project alternative described in an environmental impact report for a leadership project certified by the Governor under this chapter, the Governor may, upon application of the applicant, certify the project alternative under this chapter if the project alternative meets the definition of a leadership project pursuant to Section 21180 and complies with Section 21183 as those sections existed at the time of the Governor's certification of the leadership project. The applicant shall supply evidence and materials that the Governor deems necessary to make a decision on the application to certify the project alternative. Any evidence or materials provided by the applicant shall be made available by the Governor to the public at least 15 days before the Governor certifies a project alternative pursuant to this chapter. Paragraph (2) of subdivision (b) of Section 21184 shall not apply to the certification of a project alternative pursuant to this section. The findings made by the Governor pursuant to this section are not subject to judicial review.

(c) The rule of court adopted under Section 21185 applies to actions or proceedings brought to attack, review, set aside, void, or annul a public agency's approval of a project alternative certified under this section on the grounds of noncompliance with this division.

**21188.** The provisions of this chapter are severable. If any provision of this chapter or its application is held to be invalid, that invalidity shall not affect any other provision or application that can be given effect without the invalid provision or application.

**21189.** Except as otherwise provided expressly in this chapter, nothing in this chapter affects the duty of any party to comply with this division.

**21189.1.** If, before January 1, 2025, a lead agency fails to approve a project certified by the Governor under this chapter, then the certification expires and is no longer valid.

**21189.3.** This chapter shall remain in effect until January 1, 2026, and as of that date is repealed unless a later enacted statute extends or repeals that date.

**SEC. 2.** A project that was certified by the Governor under the former Chapter 6.5 (commencing with Section 21178) of Division 13 of the Public Resources Code before January 1, 2020, and that is approved by a lead agency on or before January 1, 2022, shall be entitled to the benefits of, and shall comply with, the requirements set forth in that former chapter as it read on January 1, 2020.

**SEC. 3.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

**SEC. 4.** This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

To expedite the development and construction of urgently needed housing, clean energy, low carbon, and environmentally-beneficial projects, and the jobs they create, it is necessary that this act be immediately enacted.