

PROP 45: THE CEQA “ESSENTIAL PROJECTS” FAST TRACK (BUILDING AN AFFORDABLE CALIFORNIA ACT)

Quick Facts

- **Official ballot title:** “Modifies Environmental Review for Certain Projects. Initiative Statute.” (Attorney General title and summary, December 26, 2025)¹
- **Measure’s own name:** The Building an Affordable California Act (AG No. 25-0023A1)²
- **Type:** Initiated state statute
- **A vote YES means:** A new “essential projects” category (most housing, water, clean energy, medical, public safety, broadband, and transportation projects) gets hard deadlines for CEQA review, a slimmed-down alternatives analysis, and tighter limits on lawsuits, all written into the Public Resources Code [1, Sec. 21013].
- **A vote NO means:** CEQA’s existing review timelines, alternatives requirements, and judicial-review rules stay in place for these projects.
- **Sponsor/proponent:** California Chamber of Commerce. Proponent of record: Kurt R. Oneto of Nielsen Merksamer LLP.³
- **On the ballot because:** Qualified by random-sample signature check on June 16, 2026, and certified eligible June 25, 2026. The measure needed 546,651 valid signatures.⁴
- **Full legal text:** [Initiative 25-0023A1, “Building an Affordable California Act,” Office of the Attorney General \(PDF\)](#)
- **LAO analysis:** [Ballot analysis of Initiative 25-0023](#)

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1. WHAT WOULD IT DO?

Proposition 45 would carve a new fast-track lane through the California Environmental Quality Act for what it calls “essential projects.” It adds a new chapter, Chapter 1.5, to Division 13 of the Public Resources Code, the part of state law that is CEQA. It does not repeal CEQA, and it does not touch the other environmental statutes it names, such as the Clean Water Act, the Endangered Species Act, and the California Coastal Act. What it changes is CEQA’s procedure for a defined set of projects [1, Sec. 1 (21011(h)), 21012-21033].

The measure does three main things for essential projects. First, it puts public agencies on a clock. An agency has thirty days to decide whether an application is complete or the application is deemed complete automatically. Once complete, a lead agency has 365 days to decide whether to certify an environmental impact report (EIR), 180 days to act on a negative declaration, and 90 days to document an exemption. For the 365-day and 90-day review clocks the measure counts only business days, not weekends or state holidays, so the real-world calendar is longer than the raw numbers suggest [1, Secs. 21017-21019, 21028©].

Second, it shrinks the alternatives analysis. Today a CEQA environmental impact report must study a reasonable range of alternatives to a project. Under Proposition 45, an EIR for an essential project needs to analyze only the project itself, one alternative developed by the applicant, and the “no project” alternative. The measure declares that any additional alternatives are “unnecessary” and that no agency may require them [1, Sec. 21025].

Third, it narrows the courtroom. A challenger must sue within thirty days of the agency’s notice of determination, the case must finish within 270 days including any appeal, and the court must use the deferential substantial-evidence standard rather than independent judgment. A court that finds a defect may order the agency to redo only the specific study at issue. It “may not order or direct” the agency to rescind its approval of the project, and once a project clears review its later construction and implementation approvals cannot be challenged again [1, Secs. 21026-21027].

2. THE LEGAL LANGUAGE

- **Full text:** [Initiative 25-0023A1, “Building an Affordable California Act,” California Office of the Attorney General](#) (amended language submitted November 24, 2025)
- Key language:

“‘Essential project’ means a project that meets all of the following requirements ... The project does not include a jail or other detention facility, or involve the development of a new oil or natural gas production facility.” [1, Sec. 21028(h)]

“A court may not order or direct via writ or any other form of order, injunction, or decision that an agency rescind its approval of the essential project.” [1, Sec. 21027(d)]
- **What it amends:** Adds Chapter 1.5 (commencing with Section 21010) to Division 13 of the Public Resources Code. Because it is an initiative statute rather than a constitutional amendment, the legislature could later amend it, but only in ways that further the measure’s purposes unless it says otherwise. The measure also adds a self-defense clause. If the governor and attorney general both decline to defend it in court, the attorney general must appoint independent counsel, funded by a continuous general fund appropriation [1, Secs. 21010, Section 4].

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3. WHO, WHAT, WHERE, WHEN, WHY?

- **Who?** Sponsored by the California Chamber of Commerce, with the initiative filed by attorney Kurt R. Oneto of Nielsen Merksamer. Supporters include the California Building Industry Association, the California Hospital Association, NAACP California, and Pacific Gas and Electric. Opposition is led by environmental organizations, including Sierra Club California, the Planning and Conservation League, and CalBike.⁵
- **What?** A new “essential projects” category covering most housing, water, clean energy, medical, public-safety, broadband, and transportation projects, given fixed review deadlines, a one-alternative EIR, and tighter judicial review. Jails and detention facilities and new oil and gas production facilities are excluded, and by definition Delta conveyance and high-speed rail are left out of the water and transportation categories. [1, Secs. 21013, 21028].⁶
- **Where?** Statewide, applied to all public agencies and written into the Public Resources Code [1, Sec. 21014(d)].
- **When?** On the November 3, 2026, ballot. It takes effect the day after the election if it passes and applies to applications deemed complete after that date, including projects that withdraw and resubmit to opt in [1, Secs. 21014(f)-(g), 21033].
- **Why?** The proponents frame CEQA delay and litigation as a driver of California’s high housing, energy, and infrastructure costs. Their stated purpose is to “make California more affordable by streamlining and speeding up approval of essential projects” while keeping the state’s other environmental laws intact [1, Secs. 21011-21012].

4. TRADE-OFFS

CEQA review and the lawsuits that follow can add years and cost to housing and infrastructure, and the delay is not evenly aimed at the most polluting projects. The legislature itself has spent recent sessions passing narrower CEQA exemptions for infill housing and other priorities, which shows that the cost-of-building concern is bipartisan and real, not manufactured. Proposition 45 is the broadest response yet because it does by initiative, and across seven whole project categories, what the legislature has done piecemeal.

Every lever the measure pulls to go faster also removes a check that CEQA built in on purpose. Hard deadlines with a “deemed complete” default speed things up, and they also let a clock, rather than a finished analysis, decide when review ends. A one-alternative EIR is cheaper and quicker, and it also means the public document may never study the option that would have reduced harm the most. The substantial-evidence standard and the bar on rescinding approvals cut litigation risk for builders, and they also make it harder for a neighbor or a tribe to stop a project that was genuinely under-analyzed. None of these is a free lunch. Each is a real gain in speed bought with a real reduction in review.

Two things keep this from being a simple pro-building versus pro-environment fight. First, the measure leaves the substantive environmental statutes standing. A project that violates the Clean Water Act or the Endangered Species Act is still illegal under those laws. What changes is CEQA’s procedural review, which is disclosure and analysis, not the

pollution limits themselves. Second, the fight will be about the word “essential.” The definitions are broad. “Essential clean energy” reaches carbon-capture and hydrogen infrastructure, and the categories sweep in “related and ancillary” infrastructure as part of the “whole of the project.” How wide that lane runs, and how much of California’s building actually qualifies, is the question the ballot label cannot answer [1, Secs. 21028(f), (h)].

Many CEQA issues are not about acceptable levels of environmental damage. Instead, project opponents use procedural complaints under CEQA to slow down projects that they dislike for reasons having nothing to do with the environment. The proposition’s backers wish to reduce the use of CEQA for such purposes.

5. POTENTIAL RISKS AND BENEFITS

Potential benefits

- It replaces open-ended CEQA timelines with firm deadlines, which can cut the years of delay that raise the cost of housing, water, clean energy, and hospitals [1, Secs. 21018-21019].
- The streamlined one-alternative EIR reduces the cost and length of environmental review while still requiring a “no project” comparison [1, Sec. 21025].
- Tighter judicial rules, a 270-day case clock, and a bar on rescinding approvals reduce the litigation risk that can stall financing on approved projects [1, Secs. 21026-21027].
- The LAO expects state and local governments to see long-run net savings from reduced administrative and legal workload once the system is running.⁷
- It leaves the underlying pollution-control statutes—the Clean Water Act, Clean Air Act, Endangered Species Act, and Coastal Act—in force, so it narrows CEQA procedure rather than repealing environmental protection [1, Sec. 21011(h)].

Potential risks

- A one-alternative EIR and a “deemed complete” default can end review before the analysis is finished, so real environmental or community harms may go unstudied [1, Secs. 21017, 21025].
- The bar on rescinding an approval and on challenging later construction approvals sharply limits the public’s ability to stop an under-reviewed project [1, Sec. 21027(d)-(e)].
- The “essential project” definitions are broad and include ancillary infrastructure, so fights over what qualifies will be frequent and consequential [1, Sec. 21028(h)].
- The LAO estimates implementation costs in the tens of millions of dollars annually for the first several years, with uncertain long-run court effects that could run from savings to added costs.⁸
- The self-defense clause commits an open-ended general fund appropriation to hired outside counsel if state officials decline to defend the measure [1, Section 4].

6. OPEN QUESTIONS

- How much of California's actual building pipeline meets the "essential project" definition once ancillary infrastructure and the seven categories are counted?
- Will the 365 business-day and 90 business-day clocks, which run longer than calendar deadlines, deliver the speed proponents promise?
- Does limiting an EIR to one applicant-designed alternative meaningfully weaken the document's ability to surface lower-impact options?
- How will courts read "objective, quantifiable, and written standards" as the new test for a valid CEQA challenge, and how many suits does that screen out?
- If the measure passes, how much litigation will target the boundaries of the definitions themselves, and who pays for the state's defense under the independent-counsel clause?

7. THE QUESTIONS TO ASK BEFORE YOU VOTE

CEQA delay is a real driver of what it costs to build housing, water projects, and energy capacity in California. Proposition 45 speeds up those projects by shortening deadlines, shrinking the alternatives study, and limiting lawsuits. The questions are whether faster building is worth a lighter environmental and public review and whether to trust the broad definition of "essential" to stay in its lane.

Every provision that makes a project go faster also removes a check that CEQA put there on purpose. Which risk weighs more: a needed project stalled for years by process and litigation or a harmful project approved before the harm was fully studied?

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ENDNOTES

¹ Office of the Attorney General, titles and summaries (25-0023A1): [https://oag.ca.gov/system/files/initiatives/pdfs/Title%20and%20Summary%20\(25-0023A1\).pdf](https://oag.ca.gov/system/files/initiatives/pdfs/Title%20and%20Summary%20(25-0023A1).pdf).

² Full text, Initiative 25-0023A1, "Building an Affordable California Act" (amended language, November 24, 2025), California Office of the Attorney General: <https://oag.ca.gov/system/files/initiatives/pdfs/25-0023A1%20%28%26quot%3B%29.pdf>.

³ Full text, Initiative 25-0023A1; California Secretary of State, "California Secretary of State Shirley N. Weber, PhD, Announces New Measure Eligible for November 2026 General Election Ballot," press release, June 16, 2026: <https://www.sos.ca.gov/administration/news-releases-and-advisories/2026-news-releases-and-advisories/california-secretary-state-shirley-n-weber-phd-announces-new-measure-eligible-november-2026-general-election-ballot-modifies-env>.

⁴ California Secretary of State, "New Measure Eligible."

⁵ California Secretary of State, "New Measure Eligible"; Paul Rogers, "Measure to Overhaul California's Powerful Environmental Law Draws 73% Support in New Poll," *The Mercury News* (July 15, 2026): <https://www.mercurynews.com/2026/07/15/measure-to-change-landmark-california-environmental-quality-act-has-big-lead-in-new-poll/>; James Mora, "Voters Weigh Proposition 45, a Bid to Overhaul California's CEQA Environmental Law," KMPH, July 17, 2026: <https://kmpH.com/news/local/voters-weigh-proposition-45-a-bid-to-overhaul-californias-ceqa-environmental-law>.

⁶ Legislative Analyst's Office, ballot analysis of Initiative 25-0023, December 10, 2025: <https://lao.ca.gov/BallotAnalysis/Initiative/2025-023>.

⁷ LAO, ballot analysis of Initiative 25-0023.

⁸ LAO, ballot analysis of Initiative 25-0023.