



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

June 1, 2023

The Honorable Luz Rivas
Chair, California State Assembly Natural Resources Committee
1020 N Street, Room 164
Sacramento, CA 95814

**RE: Senate Bill 406 (Cortese) – Support
As Introduced February 9, 2023**

Dear Assembly Member Rivas:

On behalf of the Rural County Representatives of California (RCRC), we are pleased to support Senate Bill 406 (Cortese), regarding the California Environmental Quality Act (CEQA). RCRC is an association of forty rural California counties and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties.

Senate Bill 406 exempts from CEQA actions taken by a local agency to provide financial assistance or insurance for the development or construction of low- and moderate-income housing.

California continues to struggle with a severe housing supply and affordability crisis. Current law exempts from CEQA actions taken by the California Department of Housing and Community Development and California Housing Finance Authority to provide financial assistance or insurance for construction of low- and moderate-income housing. There are numerous local finance authorities that provide similar financial assistance (including Golden State Finance Authority [an RCRC affiliate organization] and the California Statewide Communities Development Authority); however, these local agencies are not protected by that CEQA exemption. SB 406 merely extends this existing CEQA exemption to similar local agencies that provide vital assistance to meet state and local housing needs.

In an environment where some seek to exploit CEQA to delay or defeat much needed local housing projects for NIMBY or competitive interests, SB 406 closes an important loophole to protect local actions to finance housing projects from CEQA litigation abuse. SB 406 avoids Catch-22 situations where an opponent may be unable to

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

ALPINE · AMADOR · BUTTE · CALAVERAS · COLUSA · DEL NORTE · EL DORADO · GLENN · HUMBOLDT · IMPERIAL · INYO · KINGS · LAKE · LASSEN
MADERA · MARIPOSA · MENDOCINO · MERCED · MODOC · MONO · MONTEREY · NAPA · NEVADA · PLACER · PLUMAS · SAN BENITO · SAN LUIS OBISPO
SANTA BARBARA · SHASTA · SIERRA · SISKIYOU · SOLANO · SONOMA · SUTTER · TEHAMA · TRINITY · TULARE · TUOLUMNE · YOLO · YUBA

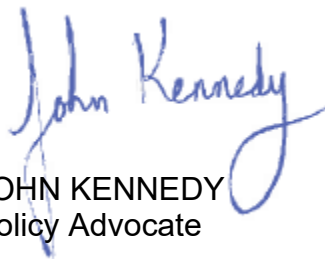
The Honorable Luz Rivas
Senate Bill 406
June 1, 2023
Page 2

challenge the housing project itself because it is exempt from CEQA, but it can try to challenge the local agency's underlying decision to provide financing as failing to comply with CEQA when it approved project financing.

More work must be done to refine and retool CEQA to ensure it meets its core objectives of informing the public and mitigating environmental impacts while preventing the exploitation and litigation abuse that is becoming all too common. Until then, SB 406 is an important measure that will expedite creation of low- and moderate-income housing by helping to avoid unnecessary, duplicative, and costly environmental reviews and potentially lengthy litigation delays.

For the above reasons, RCRC is pleased to support SB 406. If you should have any questions, please do not hesitate to contact me at jkennedy@rcrcnet.org.

Sincerely,



JOHN KENNEDY
Policy Advocate

cc: The Honorable Dave Cortese, Member of the California State Senate
Members of the Assembly Natural Resources Committee
Lawrence Lingbloom, Chief Consultant, Assembly Natural Resources Committee
Casey Dunn, Consultant, Assembly Republican Caucus