

<u>The California Environmental Quality Act</u> Frequently Asked Questions

About CEQA

Q: What is the California Environmental Quality Act?

A: The California Environmental Quality Act, which became law in 1970, is an environmental bill of rights for our state. By requiring state and local agencies to assess and disclose environmental impacts of proposed projects, and to minimize or mitigate those impacts to the greatest extent possible, CEQA fosters transparency and integrity in public decision-making, while ensuring development decisions account for their full impacts on our natural and human environments.

Q: How does CEQA work and who can use it?

A: The California Environmental Quality Act provides a process through which public agencies, Californians, and project developers can evaluate a project, understand its environmental impacts, and develop measures to reduce these impacts. Only projects that could result in a significant adverse impact to the environment must undergo a full environmental review under this law. In fact, CEQA already contains numerous exemptions for smaller projects that don't have major environmental impacts.

The CEQA process requires the public agency in charge of permitting the project, known as the "lead agency," to conduct an environmental review. This review is pulled together in one document, either a "negative declaration" if no significant adverse impact is projected, or an "environmental impact report" if significant effects may occur. CEQA documents include information about the project, the areas where it may cause environmental impacts, whether the proposed project complies with applicable environmental laws and plans, and how the impacts can be avoided or mitigated. Ultimately, the decision to approve or deny a project remains with the agency; CEQA does not prevent officials from approving an environmentally damaging project, but rather ensures that they disclose and consider the full impacts of the project and incorporate mitigation measures to reduce or avoid those impacts where feasible.

Q: Does every project require CEQA review?

A: No. CEQA generally applies only to projects that require discretionary permits from a local or state (not federal) public agency—that is, projects where the agency has a great deal of latitude in determining how the project can be conducted. Routine "ministerial" decisions like the issuance of building permits typically do not involve CEQA review in most jurisdictions. Even where CEQA does apply, the most thorough environmental review is reserved for projects that may have significant adverse impacts on the environment—in other words, for the projects where the public and agency officials really should take the closest look at environmental consequences.

Why CEQA Matters

Q: Why is CEQA important?

A: This law gives community members a voice in development decisions. It requires decision-makers to adopt feasible alternatives or mitigation measures to reduce significant adverse environmental impacts of development when possible. As such, it plays a critical role in preserving and enhancing California's public health, safety, and the environment. The Act was designed to ensure that a project applicant—not the public—bears the costs of providing necessary infrastructure to support a project and takes feasible steps to protect against environmental damage. It also provides the public and decision-makers with "the big picture" and helps ensure that many small projects are not considered in isolation, only to overwhelm a community when taken as a whole.

Q: What is at stake in the current controversy surrounding CEQA?

A: A current effort is underway, led largely by development interests, to weaken some of the key provisions of the California Environmental Quality Act. Proponents of changes to the law have made a number of false and misleading claims about how CEQA is used and its effects on California's economy. This law has been in place for more than 40 years and has been used effectively to protect the values that Californians hold most dear – including protection of public health and natural resources, such as clean air, clean water, and open space – without harming the economy. Our state has seen dramatic periods of growth, including the recent housing boom, with this law firmly in place.

If special interests succeed in weakening CEQA, the public could lose its ability to force developers to reveal and address the real environmental consequences of major projects and would likely have to bear more of the cost of fixing environmental problems caused by private developments. Californians would enjoy fewer environmental protections and our environment would suffer more damage from unchecked growth.

About CEQA Works Coalition

Q: What is CEQA Works?

A: CEQA Works is a coalition of civic, conservation, public health, environmental justice, and community groups. Participating organizations are committed to shielding California's landmark environmental laws from radical reforms that would limit public input into land use planning, threaten public health, and weaken environmental protections.

Q: What does CEQA Works hope to achieve?

A: CEQA Works is committed to defending the rights of communities to have input into land use decisions that will most affect the people who live, work, and go to school there. The members of CEQA Works believe that there may be opportunities to improve the California Environmental Quality Act, but any changes should strengthen, not weaken, its core protections. We are working with members of the California legislature to prevent attempts to gut the fundamental environmental protections CEQA provides.

CEQA and Economic Growth

Q: Does CEQA stunt economic growth?

A: There is no evidence that California's environmental laws have interfered with healthy economic growth in California. Our state has seen robust growth – both economically and physically – since 1970. In fact, according to the Governor's Office of Business and Economic Development, California was the national jobs leader for most of 2012 with 257,000 new private sector jobs, including several high-profile company expansions (e.g., Samsung, Sutter, Amazon, and Caterpillar). Thanks to CEQA, that growth has happened in a way that has limited impacts on our air, water, open space, and other natural resources. And because the environmental review process ensures that agencies approve development proposals with the big picture and long term consequences in mind, it ultimately saves taxpayers money.

CEQA and 'Green' Projects

- **Q:** Does CEQA make it too easy to prevent the construction of infill projects?
- A: Just last year SB 226 was passed to streamline the environmental review and approval process for infill projects that are consistent with a city or county's general plan. The state Office of Planning and Research just released guidelines for implementing SB 226 in February 2013. These guidelines should speed approval of infill projects, and should be given time to work before further, wholesale changes to CEQA are proposed to encourage infill development.
- Q: Isn't the recent case against the San Diego Association of Governments' Sustainable Communities Strategy an example of abuse of CEQA?
- A: The case against SANDAG is an excellent example of why CEQA must remain strong, particularly in this era of climate disruption. Although the SANDAG plan technically met greenhouse gas standards for 2020 and 2035 under SB 375, it then allowed emissions to keep rising dramatically through 2050, conflicting with key state policies recognizing that steep emissions reductions over the same time period are needed to stabilize the climate.

CEQA is the only state law that ensures public disclosure and analysis of this conflict and because SANDAG steadfastly ignored the problem, litigation was necessary to expose the serious flaws in SANDAG's plan. In contrast, if SANDAG's plan had been evaluated under the "standards-based" approach advocated by some special interests, all the public would know is that the plan met SB 375's targets—not that it fundamentally conflicted with state policy and sound science.

Q: With our growing climate crisis, shouldn't renewable energy projects be exempt from CEQA?

A: No. There's a lot of variation among "renewable energy" projects, from hydroelectric dams, to big wind and solar installations, to wood-fueled power plants. Many of these projects may have the potential to help prevent climate disruption, but they also may have other less desirable consequences—and some ultimately may not even be that good for the climate. Only through careful CEQA review can agency officials and the public choose the best projects, in the right locations, with the least significant trade-offs. This is exactly how CEQA was designed to work.

Q: How would "fracking" for oil and gas be affected by the proposed changes to CEQA?

- A: Currently California regulators do not even track, let alone regulate, hydraulic fracturing ("fracking") in California. CEQA is our safety net when serious environmental risks, like fracking, slip through the cracks in other environmental laws. This is why conservation groups have been able to bring a lawsuit against California regulators for ignoring their duty to analyze and disclose the dangers of fracking via California Environmental Quality Act review. If special interests, including the oil and gas industry, succeed in gutting CEQA, we would lose this safety net for addressing the risks posed by fracking to the air we breathe and the water we drink.
- Q: How would major infrastructure projects like California's High Speed Rail line or industrial-scale renewable energy projects be affected by the proposed changes to CEQA?
- A: CEQA's role in California is to guide major public and private projects through a process that identifies the least environmentally damaging path for achieving a development goal. While High Speed Rail and utility-scale renewable energy projects have tremendous public and environmental benefits, they also have environmental costs. CEQA's role in such projects is to help identify appropriate mitigation and reduce environmental harm to the extent feasible in building such projects.

CEQA and Litigation

- Q: Isn't it true that most developments end up in court at some point because of CEQA?
- A: The most thorough study on CEQA and litigation, conducted by the non-partisan Public Policy Institute of California in 2005, found that 0.3% of CEQA reviews were taken to court. The statute was also amended in 2010 to provide penalties to those using the law maliciously. At this time, not a single motion has been filed under that amendment, demonstrating that claims of "CEQA lawsuit abuse" by those attempting to weaken CEQA are utterly false.
- Q: Shouldn't parties who bring forward lawsuits under CEQA be required to disclose who is funding the lawsuit? Wouldn't such a change reduce opportunities for abuse of the law?
- A: The Supreme Court ruled many years ago that forcing organizations to disclose their members and donors violates the First Amendment. People must be free to exercise their legal rights and associate freely without the chilling threat of public disclosure. Some CEQA critics have proposed requiring disclosure only to the judge, but the only purpose of disclosure would be to invite judges to bring their own prejudices to bear. This would be a serious blow to equality before the law.

It shouldn't matter who's bringing a lawsuit, or who's funding it. CEQA is about making sure environmental impacts are disclosed and mitigated. If an agency fails to follow the law, and litigation succeeds, California's environment benefits no matter whose name is on the lawsuit or who wrote the checks. If a lawsuit is truly frivolous, it will not succeed, and the parties who filed it can be fined up to \$10,000.

CEQA and Non-Environmental Use/Abuse

- Q: Isn't it true that neighbors and other groups often misuse CEQA to stop projects they just don't like, or to require non-environmental changes?
- A: Anyone who weighs in with legitimate concerns about the environmental impacts of a project during a CEQA-mandated public comment period has the right to bring forward a lawsuit if he or she believes that the public agency did not follow the law. This is by design. Unfortunately, government agencies do violate the law sometimes. Public oversight—including the ability to go to court when it's necessary—is critical to making CEQA's environmental protections effective. If the court finds the case is completely without merit, the court can impose fines on the plaintiff and the case will not move forward.

Special interests sometimes complain that "non-environmental" participation in CEQA processes—whether by labor unions, businesses, or even neighbors concerned about property values—is somehow "illegitimate." But because CEQA is structured to provide environmental protection, it doesn't matter who participates in the process or even who brings a lawsuit. Labor unions have used CEQA to identify hazards that could affect workers, achieving greater public health protections for all. Businesses have used CEQA to expose the hidden consequences of certain policies and decisions—again resulting in better environmental knowledge and protection. Anyone can find an example of a lawsuit she doesn't like for some reason. But CEQA itself focuses on disclosure and prevention of environmental impacts, and thus benefits all Californians, no matter who's participating in the process.

CEQA's Relevance Today

Q: Is CEQA outdated?

A: CEQA has served Californians well for more than 40 years. The law has been updated many times over the years, most recently to address concerns and streamline the review and approval for projects that are likely to have minimal environmental impacts, such as infill development. CEQA is a living document that ensures the public remains informed of planned land use changes and how those changes might affect them.

Q: Why do we still need CEQA?

A: While many environmental laws have been passed since the enactment of CEQA in 1970, these laws do not replace CEQA. One of CEQA's main purposes is to disclose potential impacts to the public and allow for public feedback. It also forces developers, and the overseeing public agencies, to avoid environmental impacts to the extent feasible. More recently enacted laws typically have very specific purposes and were designed to work in a system that includes the rigorous public environmental review required by the California Environmental Quality Act.

Q: Why do we need CEQA when there is already a National Environmental Policy Act?

A: CEQA applies to land use projects approved by state and local agencies in California, while NEPA only comes into play when federal funding is involved or federal agencies are required to review and approve a project.

- Q: Wouldn't the "standards" approach that has been suggested by some in the legislature address the same issues raised by CEQA with less red tape?
- A: There is no way to provide the same safeguards CEQA provides without protecting the robust public process required by the law. In fact, when environmental review is thorough and complete, the CEQA process provides more certainty than the standards approach, which would require agencies to make a judgment about whether or not the spirit and the letter of dozens of local, state, and federal laws had been met. The ability of communities to know about and weigh in on planned land use changes would be eviscerated under the standards approach.

Q: Couldn't communities rely on local measures, like General Plans, instead of CEQA to evaluate project impacts?

A: City and County general plans are sometimes touted as potential alternatives to CEQA. While these plans provide community-specific development guidelines, many of the plans have not been updated for 10 years or more and may not reflect current realities or community needs. Even current general plans do not contain the detailed analysis necessary to ensure that all feasible steps are taken to reduce the environmental cost of particular development projects. In fact, most if not all current general plans were prepared under the assumption that future development projects would get thorough CEQA review. A general plan is just that—"general"—and does not provide a substitute for CEQA's effective environmental protections.

CEQA Improvements

- Q: How might CEQA be improved? Does CEQA Works support *any* changes to CEQA?
- A: CEQA should not be gutted, as those who assert a need for "reform" would like to do. However, there may be opportunities for making the public process more consistent and more transparent throughout the state. Examples of amendments CEQA Works could support include requiring the electronic posting of all environmental review-related materials; enhancing public health protections; enacting safeguards to ensure impartial analysis in the environmental review process; extending and making uniform in all jurisdictions the length of the environmental review comment period to give the public ample opportunity to respond to a proposed project; and providing developers with more opportunities to address concerns earlier in the review process.