



October 15, 2026

The Honorable Roger Niello
Senator, 6th District
State Capitol
Sacramento, CA 95814

RE: SB 4 Rural Housing Expansion Act – SUPPORT

Dear Chair Smallwood-Cuevas, Vice Chair Valladares, and Members of the Senate Committee on Local Government and Labor,

The California Chamber of Commerce is writing in strong support of Senate Bill 4. At its heart, SB 4 helps more Californians find homes they can afford near where they work. It does this by replacing slow, repeated environmental review in rural and exurban areas with one community-wide review, while keeping the protections that matter most.

Housing is a workforce issue. Employers across the state, especially in the Central Valley, the Inland Empire, and the foothills, struggle to hire and keep workers who cannot afford to live nearby. When housing is too far away or too expensive, workers leave, businesses close, and communities lose out. SB 4 helps build more homes in the places where they are needed.

One review is better than many. Today, each housing project in a rural area can go through its own separate environmental review, even when the land and surroundings have already been studied. Land-use consultants note that a single CEQA determination can range from a simple exemption to a full environmental impact report, a difference that can mean months or even years for a project (Schmitz & Associates, 2026). SB 4 lets a city or county study a rural growth area once, after a public hearing, and then lets qualifying projects move forward. That saves time and money for builders, local governments, and the families waiting for homes.

Protections stay in place. SB 4 does not give anyone a free pass. A project must be next to existing development, be 40 acres or less (or up to 300 acres in phases), and meet a minimum density of 5 homes per acre. It cannot be on a sensitive site, cannot include a warehouse distribution center or oil and gas infrastructure, and must complete tribal consultation. Before a project qualifies, the local agency must also issue a readiness certificate confirming sufficient

water and wastewater capacity, fire code compliance, an evacuation route, and no change to farmland.

California has already taken this step. In 2025, the Legislature passed AB 130 and SB 131, which exempt many urban infill housing projects from repeated environmental review while requiring safeguards like site cleanup and air filtration near freeways (Beveridge & Diamond, 2025). SB 4 follows the same approach for rural and exurban areas, with its own safeguards: the readiness certificate, the sensitive-site exclusions, and tribal consultation.

It asks nothing new of employers. SB 4 creates no new taxes, fees, or mandates on businesses, and it is not a fiscal bill. It also sunsets in 2036, so the Legislature can review how it worked.

Senate Bill 4 is a practical step toward more housing, stronger rural communities, and a healthier economy. For these reasons, the California Chamber of Commerce supports SB 4 and respectfully urges the Committee to vote in favor of this legislation.

Sincerely,

Aishah Apalara

Aishah Apalara (She/Her/Hers) - Lobbyist

