



OFFICE OF THE GOVERNOR

SEP 30 2026

To the Members of the California State Assembly:

I am signing Assembly Bill 40, which requires a full Environmental Impact Report under the California Environmental Quality Act (CEQA) before a lead agency may grant discretionary approval for a large-scale coal handling, storage, or export facility.

Over the course of my administration, I have worked with the Legislature to enact targeted CEQA reforms for projects California urgently needs, including housing, clean energy, water resilience, and infrastructure that advances our climate goals. Those reforms are tailored to ensure CEQA operates appropriately for the particular project types, public benefits, and safeguards at issue. Consistent with that precedent, AB 40 addresses a separate, narrow circumstance by ensuring that environmental review of a very large coal facility reflects the specific operation and use proposed.

CEQA does not regulate commodities in the abstract — it requires review of specific projects that are actually proposed. This bill ensures large-scale coal facilities receive that review.

For these reasons, I am signing Assembly Bill 40.

Sincerely,

Gavin Newsom