

ASSEMBLY THIRD READING
AB 1732 (Alvarez and Wicks)
As Amended May 14, 2026
Majority vote

SUMMARY

Expands the California Environmental Quality Act (CEQA) exemption for housing development projects added by AB 130 (Committee on Budget), Chapter 22, Statutes of 2025, to include 1) projects that are consistent with a public higher education land use plan and 2) projects that are not subject to a general plan, zoning ordinance, or public higher education land use plan, but that meet specified alternative standards.

Major Provisions

- 1) Exempts from CEQA housing development projects that are consistent with a "public higher education land use plan." (This term is not defined in this bill, but apparently refers to long-range development plans adopted by each campus and medical center of the University of California (UC), as well as California State University (CSU) campuses and the California Community Colleges (CCC). These plans require the preparation of an environmental impact report pursuant to Section 21080.09 of the Public Resources Code.)
- 2) Exempts from CEQA housing development projects that are not subject to an applicable general plan, zoning ordinance, or public higher education land use plan, if there is substantial evidence that would allow a reasonable person to conclude that the housing development project meets all of the following conditions:
 - a) The project is located in a land use zone, category, or designation that allows residential or mixed-use development in the general plan of the city, city and county, or unincorporated city or county in which the project is located
 - b) The project does not exceed the maximum allowable building height and density in the zoning code of the city, city and county, or unincorporated city or county in which the project is located.
 - c) The project satisfies performance standards for infill projects pursuant to Appendix M of the CEQA Guidelines.

COMMENTS

AB 130, a 2025 budget trailer bill, established a broad new CEQA exemption for housing projects on sites up to 20 acres. Among its conditions, AB 130 requires an exempt housing project to be consistent with the applicable general plan or zoning ordinance, with certain exceptions. Because a public higher education long-range development plan is not a "general plan" and universities and colleges typically don't adopt "zoning ordinances" like cities, the AB 130 exemption does not apply to housing projects under the jurisdiction of public universities and colleges. This bill amends AB 130 so that its exemption can be used by a public university or college wishing to approve a housing project without CEQA review. This bill also relaxes AB 130's "general plan or zoning consistency" requirement across the board so that any otherwise eligible housing project in any jurisdiction may be eligible for exemption if it meets alternative standards, including being located where residential or mixed-use development is allowed,

within allowable building height and density, and satisfying the performance standards for infill projects pursuant to Appendix M of the CEQA Guidelines.

Rather than rely on established CEQA requirements for tribal consultation, AB 130 requires tribal consultation pursuant to novel procedures that require the local government to notify affected California Native American tribes and consult for a period not to exceed 60 days. Instead of requiring avoidance or mitigation of impacts on tribal cultural resources through enforceable measures adopted by the local government, AB 130 relies on agreements with the project proponent.

Note this bill was gutted and amended in the Assembly Appropriations Committee and has not been heard by a policy committee.

According to the Author

California's public colleges and universities are among the finest higher education institutions in the world. They are also at the frontlines of the student housing crisis, yet they are uniquely disadvantaged by a legal technicality that prevents them from accessing the same CEQA streamlining available to private higher education institutions and other housing developers. AB 1732 closes this gap...At a time when housing insecurity affects students and employees across California's public higher education system, it is difficult to justify maintaining procedural barriers that private developers and private colleges are not required to overcome.

Arguments in Support

According to the California Community Colleges Chancellor's Office, "this bill aims to streamline the construction of affordable housing for students, faculty, and staff at public higher education institutions by extending CEQA infill-style exemptions...Developing housing projects near colleges remains a challenging endeavor due to restrictive local zoning and existing CEQA pathways. Furthermore, housing costs represent the largest financial barrier to higher education in California, especially for low-income and underserved populations."

Arguments in Opposition

None received.

FISCAL COMMENTS

No fiscal estimate has been provided for the current (May 14) version of this bill. According to the Assembly Appropriation Committee analysis of the prior (April 27) version:

- 1) UC anticipates General Fund cost savings of an unknown but potentially significant amount, stating the bill "will help the University build...housing faster and more efficiently, stretching limited financial capacity further."
- 2) CSU anticipates General Fund cost savings of an unknown amount.
- 3) CCC anticipates Proposition 98 General Fund cost savings for qualifying community college student housing projects that are not state-funded but notes that projects that proceed through the State Public Works Board must still complete and document CEQA compliance prior to preliminary plan approval.

VOTES

ASM NATURAL RESOURCES: 13-0-1

YES: Bryan, Ellis, Alanis, Connolly, Garcia, Haney, Hoover, Kalra, Macedo, Muratsuchi, Schultz, Hart, Zbur

ABS, ABST OR NV: Pellerin

ASM HOUSING AND COMMUNITY DEVELOPMENT: 12-0-0

YES: Haney, Patterson, Ávila Farías, Caloza, Garcia, Kalra, Lee, Quirk-Silva, Ta, Tangipa, Wicks, Wilson

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Hoover, Bauer-Kahan, Calderon, Caloza, Ellis, Fong, Mark González, Krell, Pacheco, Sharp-Collins, Solache, Ta, Tangipa

ABS, ABST OR NV: Pellerin

UPDATED

VERSION: May 14, 2026

CONSULTANT: Lawrence Lingbloom / NAT. RES. / (916) 319-2092

FN: 0003036