

ASSEMBLY THIRD READING  
AB 1732 (Alvarez and Wicks)  
As Amended May 20, 2026  
Majority vote

## SUMMARY

Adds public university and college housing projects (for students, faculty, and staff) to an existing California Environmental Quality Act (CEQA) exemption for affordable housing projects and extends the exemption's sunset from 2033 to 2037.

### Major Provisions

- 1) Adds public university and college housing projects to an existing exemption for affordable housing projects, without requiring affordability-based deed restrictions for these projects.
- 2) Defines "public university or public college housing project" as one or more housing facilities to be occupied by students, faculty, or staff of one or more campuses of the University of California (UC), California State University (CSU), or California Community Colleges, (CCCs) including dining, academic, student support service spaces, and other necessary and usual attendant and related facilities and equipment.
- 3) Extends the exemption's sunset from 2033 to 2037.

## COMMENTS

Since 1978, CEQA has included statutory exemptions for housing projects. There are now at least 15 distinct CEQA exemptions for housing projects. There are specific to projects with an affordable housing fraction, the rest are available to affordable and market-rate projects alike. Each exemption includes a range of conditions, including requirements for prior planning-level review, as well as limitations on the location and characteristics of the site. These conditions are intended to guard against the approval of projects with significant environmental impacts that go undisclosed and unmitigated – endangering workers, residents and the greater environment. The majority of residential projects are approved via exemption or negative declaration under CEQA, or through ministerial permits where CEQA does not apply.

The CEQA Guidelines have included categorical exemptions for housing projects for decades, allowing projects with no significant environmental impacts to proceed to approval without environmental review. These exemptions are well-known and widely used for small housing projects of one to six units, as well larger housing projects in incorporated areas, on infill sites up to five acres, with no limit on the number of units.

These existing exemptions can include university-sponsored projects, as well as private projects to house university students, faculty and staff. Public universities also periodically adopt planning-level environmental impact report (EIRs), which can serve as the basis for streamlined review of subsequent housing projects.

Existing CEQA requirements to consider impacts on tribal cultural resources are predicated not only on conducting consultation with tribes that are traditionally and culturally affiliated with a project site, but also having a CEQA review process and environmental document that can consider and adopt measures to avoid or mitigate impacts identified via the consultation.

These mechanisms don't exist with an exemption. The exemption process doesn't provide the time or process that would accommodate legitimate tribal consultation, or any means to adopt and enforce avoidance or mitigation measures if impacts on tribal cultural resources are identified. With an exemption, the affected tribe(s) may not find out about the project until a notice of exemption is filed, at which point, it's too late.

To the extent tribal cultural resources are intended to be considered in an exemption, it calls for a different approach. One approach, added to the SB 35 process by AB 168 (Aguiar-Curry), Chapter 166, Statutes of 2020, is a detailed custom consultation process. Another approach used in several prior exemption bills, is requiring the lead agency to find there are no significant impacts on tribal cultural resources, based on the principle that if there are impacts, the project shouldn't be exempt.

This bill relies on a tribal consultation provision that applies only to projects on "vacant sites" and doesn't clearly require the lead agency to initiate consultation, or adopt and enforce mitigation or avoidance measures if impacts on tribal cultural resources are identified through consultation. Prior (April 15) amendments to this bill revise its tribal consultation requirements to incorporate the established CEQA procedures, require notification of the affected tribe(s), and clearly authorize the lead agency to require measures to mitigate or avoid impacts to tribal cultural resources. These amendments have been removed.

### **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**

According to the Assembly Appropriation Committee:

- 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

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