
SENATE COMMITTEE ON HOUSING
Senator Jesse Arreguín, Chair
2025 - 2026 Regular

Bill No:	AB 2296	Hearing Date:	6/24/2026
Author:	Papan		
Version:	5/18/2026 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Hank Brady		

SUBJECT: Planning and zoning: housing element: regional housing needs allocation

DIGEST: This bill extends a number of timelines in the process of regional housing needs determinations (RHND), regional housing needs allocations (RHNA), and housing element revisions.

ANALYSIS:

Existing law:

- 1) Provides that each community's fair share of housing be determined through the RHND and the subsequent RHNA plan for the region. Establishes the RHND/RHNA process as follows: (a) Department of Finance (DOF) and the department of Housing and Community Development (HCD) develop regional housing needs estimates; (b) Councils of Government (COGs) allocate housing within each region based on these determinations, and where a COG does not exist, HCD conducts the allocations; and (c) cities and counties incorporate these allocations into their housing elements.
- 2) Requires HCD, in consultation with each COG, to determine the RHND for each region using population projections produced by DOF and regional population forecasts used in preparing Regional Transportation Plan (RTP) updates, in consultation with each COG.
- 3) Requires HCD, at least 26 months prior to the housing element adoption deadline for the region and prior to developing the existing and projected housing need for a region, to meet and consult with the COG regarding the assumptions and methodology to be used by HCD to develop the RHND. Requires the COG to provide data assumptions from their projections, as specified.

- 4) Requires HCD, after consultation with the COG, to make a determination of the region's existing and projected housing need based upon the assumptions and methodology determined in 3). Requires the RHND to reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan.
- 5) Requires each COG or delegate subregion, at least two years before a scheduled revision of the housing element, to develop, in consultation with HCD, a proposed methodology for distributing the RHNA to cities, counties, and cities and counties within the region or subregion.
- 6) Requires each COG or delegate subregion, at least one and one-half years before a scheduled revision of the housing element, to distribute a draft RHNA allocation plan to each local government in the region or subregion, and HCD, based on the methodology in 5) above, and publish the draft allocation on its website.

This bill:

- 1) Revises the time by which two or more cities and a county, or counties, may form a subregional entity for the purpose of allocating the subregion's RHNA among its members, from 28 months prior to the scheduled housing element update to 34 months prior.
- 2) Revises the time by which a COG must determine the share of RHNA assigned to each delegate subregion in 2) above from 25 months prior to the scheduled revision to 31 months prior.
- 3) Revises the time by which each COG or delegate subregion shall develop, in consultation with the HCD, a proposed methodology for distributing the RHNA to local governments within the region or subregion, from at least two years prior to the scheduled housing element revision to at least two and one-half years prior. For the seventh housing element cycle, this change applies to housing elements adopted after 2027.
- 4) Revises the time by which each COG and delegate subregion shall distribute a draft RHNA to each local government in the region or subregion and to HCD based on the methodology described in 4) above and to publish the draft RHNA on its website, from at least one and one-half years before the scheduled housing element revision to at least two years prior. For the seventh housing element cycle, this change applies to housing elements adopted after 2027.

Background

Housing elements. Every city and county in California is required to develop a general plan that outlines the community's vision of future development through a series of policy statements and goals. A community's general plan lays the foundation for all future land use decisions, as these decisions must be consistent with the plan. General plans are comprised of several elements that address various land use topics: land use, circulation (e.g., traffic), housing, conservation, open-space, noise, and safety.

Each community's general plan must include a housing element, which outlines a long-term plan for meeting the community's existing and projected housing needs. The housing element demonstrates how the community plans to accommodate its "fair share" of its region's housing needs. In general, a housing element must identify and analyze existing and project housing needs, identify adequate sites with appropriate zoning to meet its share of the RHNA, and ensure that regulatory systems provide opportunities for, and do not unduly constrain, housing development.

RHND/RHNA Methodology. The RHND/RHNA process is used to determine how many new homes, and the affordability level of those homes, each local government must plan for in its housing element to cover the duration of the next eight-year planning cycle. The RHND is assigned at the COG level, while RHNA is allocated to subregions of the COG or directly to local governments.

The cycle begins with HCD and the DOF projecting new RHND numbers every five or eight years, depending on the region. DOF produces population projections and the COG also develops projections during its RTP forecast. Then, 26 months before the housing element due date for the region, HCD must meet and consult with the COG and share the data assumptions and methodology that they will use to produce the RHND. The COG provides HCD with its own regional data on several criteria, including projected population increases; household size data; percentage of overcrowded households; the rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures; vacancy rates; relationship between jobs and housing; percentage of households that are cost burdened; loss of units during a declared state of emergency that have yet to be rebuilt or replaced.

HCD can take this information and use it to modify its own methodology, if it agrees with the data the COG produced, or can reject it if there are other factors or data that HCD feels is better or more accurate. Then, after a consultation with the COG, HCD makes written determinations on the data it is using for each of the

factors bulleted above, and provides that information in writing to the COG. HCD uses that data to produce the final RHND. The COG must then take the RHND and create an allocation methodology that distributes the housing need equitably amongst all the local governments in its region this is the COG's RHNA plan.

Comments

- 1) *Author's Statement.* "AB 2296 will improve the housing element review process by addressing the delays and challenges local governments face in dealing with HCD. This bill makes two key improvements: first, it starts the Regional Housing Needs Allocation (RHNA) process six months earlier, giving municipalities more time to work on their housing elements and allowing them to engage with HCD sooner. Additionally, the bill will stagger housing element deadlines within Councils of Government to ease the workload on HCD staff, freeing up their time for one-on-one, tailored feedback to municipalities. These changes will help local governments develop compliant housing elements on time, supporting the production of much-needed housing and ensuring clarity in the process"
- 2) *California's Housing Future 2040.* HCD recently published *California's Housing Future 2040: The Next Regional Housing Needs Allocation* pursuant to a statutory directive to develop recommendations to improve the RHNA process and methodology that promotes and streamlines housing development and substantially addresses California's housing shortage following a stakeholder engagement process. One of the recommendations HCD adopted in the report recommends moving up the RHND consultation process by one year. Specifically, HCD includes a recommendation in the report that recommends, "Moving up the date by which the RHND must be provided by one year." HCD additionally noted in its report that requiring the consultation to take place three years prior to the housing element due date will foster better alignment between the housing element cycle and RTP and Sustainable Community Strategy (SCS) planning cycles.
- 3) *COGs and subregions.* Local governments are allowed to form a subregional entity underneath the COG that receives a direct allocation of the RHND from the COG and has the ability to establish its own RHNA methodology and allocation plan. Two or more local governments are allowed to form a subregion to allocate the RHNA. The formation of the regional entity must occur 28 months prior to the housing element revision. This bill would extend the timeline that cities and counties have to form a subregional entity to allocate the subregions RHNA from 28 months to 34 months. In addition, COGs must determine the share of RHNA assigned to each delegate subregion 25 months

prior to a housing element revision, this bill would change that requirement to 31 months prior.

- 4) *Timelines.* In addition to extending the timeframe for the formation of subregional entities, this bill extends a number of timelines in the RHND/RHNA and housing element process by six months. Specifically this bill extends the following timelines as follows:
- a) Each COG must develop its proposed RHNA methodology at least 2.5 years prior to the scheduled housing element revision, rather than two years under existing law.
 - b) Each COG must distribute its draft RHNA allocation plan at least two years prior to the scheduled housing element revision, rather than 1.5 years under existing law.

These changes do not apply for the seventh housing element cycle to COGs with a housing element revision due date during the 2027 calendar year.

- 5) *Committee amendments.* Several COGs are already in the preliminary phases of the 7th housing element cycle, to address issues with the housing element calendar for these jurisdictions, **The Committee may wish to consider amending the bill to specify that the timelines in this bill do not apply in COGs where the housing element revision is due during the 2027 or 2028 calendar year.**

Related/Prior Legislation

SB 233 (Seyarto, Chapter 577 Statutes of 2025) — Required HCD, commencing with the seventh housing element cycle, to meet with COGs at least 38 months rather than 26 months prior to the housing element due date for jurisdictions within that COG. It would also delay the requirement for HCD to meet with COGs that have a seventh housing element revision due in 2028 or earlier until the eight housing element cycle.

AB 1275 (Elhawary, Chapter 593, Statutes of 2025) — extended timelines for determining the RHNA and RHND for each region and requires each region to incorporate elements of its SCS into its RHNA methodology and allocation plan, as specified.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, June 17th, 2026.)

SUPPORT:

League of California Cities (Sponsor)

City of Carpinteria

City of Corona

City of El Cerrito

City of Emeryville

City of Goleta

City of Lafayette

City of Merced

City of Palm Desert

City of Rancho Cucamonga

City of Redwood City

City/county Association of Governments of San Mateo County

Marin County Council of Mayors and Councilmembers

San Diego Association of Governments

OPPOSITION:

None received.

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