

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 486 (Cabaldon) – As Amended July 17, 2025

Policy Committee:	Housing and Community Development	Vote:	11 - 0
	Natural Resources		13 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill requires metropolitan planning organizations (MPOs), when preparing a Sustainable Communities Strategy (SCS), and councils of government (COGs), when developing assumptions and methodologies used to determine each region's regional housing need (RHNA), to consider enrollment levels at public institutions of higher education, as specified.

The bill also specifies that the University of California UC) and the California State University (CSU) are not required to consider a "no project" alternative when preparing an environmental impact report (EIR), if the project is necessary to achieve the campus' enrollment goals pursuant to existing law, and other conditions are met.

Specifically, this bill:

- 1) Requires MPOs to take into account changes in student enrollment at California Community Colleges, CSUs, and UCs when they identify areas in the SCS to house the population of the region.
- 2) Revises the Regional Housing Needs Determination (RHND) and RHNA processes as follows:
 - a) Requires COGs to provide HCD data assumptions, if available, regarding changes in student enrollment levels at campuses of the CSU and UC during the RHND process.
 - b) Adds to the list of factors a COG must consider when developing the RHNA plan, (a) the distribution of public and private university students among jurisdictions within the COG, and (b) for campuses of the CSU and the UC, the optimization of nonvehicle trip efficiency by students to the campus, including off-campus facilities.
- 3) Requires the CSU, and requests the UC, six months prior to the development of a proposed RHNA plan, to provide each COG a forecast of changes in enrollment levels at its campuses including off-campus facilities, within the region, as specified.
- 4) Requires the CSU, and requests the UC, provide the forecast data to the Director of Finance, Director of HCD, and the Chairperson of the Joint Legislative Budget Committee.
- 5) Requires the CSU, and requests the UC, provide trip and travel data to COGs upon request.

- 6) Provides that the UC and CSU are not required to conduct a “no project” alternatives analysis as part of an EIR, a supplemental EIR, or in any addendum for a project for which the UC or CSU, respectively, is the lead agency, if all of the following conditions are met:
 - a) The lead agency finds that the project is necessary to achieve the campus’ share of the enrollment goals, as specified.
 - b) The project is consistent with requirements in the Education Code to complete an EIR and the Public Resources Code that precludes enrollment growth at UC or CSU as being the basis for any lawsuit.
 - c) The project is deemed by the applicable transportation planning agency as being “consistent” with its SCS or an alternate strategy approved by the Air Resources Board.
 - d) The UC and CSU have provided the forecast of changes in enrollment levels required by this bill.

FISCAL EFFECT:

- 1) HCD estimates minor and absorbable General Fund (GF) costs.
- 2) UC and CSU estimate minor GF costs to provide forecasted enrollment levels to each COG when developing the methodology for determining RHNA.
- 3) Local costs of an unknown amount, but not likely significant amount, to MPOs and COGs to consider higher education enrollment projections when preparing the SCS and RHNA methodologies, respectively. These costs are not reimbursable by the state because neither MPOs nor COGs are eligible claimants with the Commission on State Mandates for state-reimbursement of local mandated costs.

COMMENTS:

- 1) **Purpose.** According to the author:

Today, campuses seeking to expand often face court challenges to their population growth under the California Environmental Quality Act (CEQA). At the same time, regional planning processes generally don’t incorporate detailed population growth projections from the public universities, nor do local governments plan alongside the campuses to sustainably accommodate campus growth.

This bill recognizes that growth of the university student population is not a decision made by individual university campuses. It is a statewide decision based on a demographic reality. [This bill limits] the requirement for the CSU and the UC to conduct a “no project” alternative analysis in an EIR for a [project] that is consistent with the SCS. It also requires the university systems to participate in the development of regional SCSs and associated housing and transportation plans.

- 2) **Background. RHNA, COGS, and MPOs.** California requires every city and county to adopt a general plan that includes a housing element, which must demonstrate how the jurisdiction will accommodate its share of the region's housing needs. Housing needs are determined through the RHNA process, which is designed to ensure all jurisdictions plan for a fair share of the state's housing demand, across income levels and household types. Under the RHNA process, HCD, in consultation with the Department of Finance, issues a RHND to each region, and COGs then develop a methodology for allocating that need to local governments within the region. Each jurisdiction must then adopt a housing element that accommodates its RHNA share through zoning, land use policies, local programs, and other strategies.

MPOs are responsible for preparing a regional transportation plan (RTP) with a 20+ year planning horizon. Existing law requires the RTP include an SCS, which aligns land use, housing, and transportation planning in a way that supports regional greenhouse gas reduction targets established by the California Air Resources Board. The SCS must identify areas within the region that can accommodate both future population growth and the RHNA allocation, while also promoting a more sustainable development pattern. Existing law requires consistency between the RHNA and the SCS, but observers note achieving alignment is challenging due to differing data sets and other factors.

Under existing law, a COG must consider the housing needs generated by the presence of a private university or a campus of the CSU or the UC within any member jurisdiction when developing the methodology for distributing the RHND. This directive is dependent on the extent to which sufficient data is available, making its application uneven across regions.

In an effort to strengthen coordination between public university systems and regional planning agencies, this bill requires the CSU, and requests the UC, to provide enrollment forecasts and travel data to COGs. The bill also requires MPOs to incorporate enrollment trends at public colleges and universities when preparing their SCS.

“No Project” Analysis. Under existing law, selection of a location for a particular campus of public higher education and the approval of a long-range development plan (LRDP) is subject to CEQA and requires preparation of an EIR. Existing law provides enrollment or changes in enrollment, by themselves, do not constitute a project for purposes of CEQA. However, courts have ruled if enrollment growth results in physical impacts, such as increased demand for housing or transportation infrastructure, a campus may be required to conduct supplemental EIR if those impacts were not disclosed in its most recent LRDP or campus master plan (MP).

CEQA guidelines require an EIR to describe a range of reasonable alternatives to the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project. As part of an EIR, lead agencies often must evaluate a “no project” alternative, which allows decision makers to compare the impacts of approving the proposed project with the impacts of not approving the proposed project.

This bill eliminates the requirement that UC or CSU conduct a “no project” alternative analysis in an EIR for projects where UC or CSU is the lead agency and certain conditions are met.

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