Office of Senate Floor Analyses
(916) 651-1520 Fax: (916) 327-4478

UNFINISHED BUSINESS

Bill No: SB 486
Author: Cabaldon (D)
Amended: 9/5/25
Vote: 21

SENATE HOUSING COMMITTEE: 11-0, 4/1/25
AYES: Wahab, Seyarto, Arreguín, Cabaldon, Caballero, Cortese, Durazo, Gonzalez, Grayson, Ochoa Bogh, Padilla

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 8-0, 4/30/25
AYES: Blakespear, Valladares, Dahle, Gonzalez, Hurtado, Menjivar, Padilla, Pérez

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 39-0, 5/27/25
AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
NO VOTE RECORDED: Reyes

ASSEMBLY FLOOR: 79-0, 9/9/25 - See last page for vote

**SUBJECT:** Regional housing: public postsecondary education: changes in enrollment levels: California Environmental Quality Act

**SOURCE:** Author

**DIGEST:** This bill (1) requires Metropolitan Planning Organizations (MPOs) to consider postsecondary enrollment when they prepare their Sustainable Communities Strategy (SCS); (2) requires the California State University (CSU), and requests the University of California (UC) to provide specified enrollment

information to Councils of Government (COGs) to inform regional housing planning; (3) narrows the scope of the environmental analysis that the CSU and UC must perform for projects if specified requirements are met.

*Assembly Amendments* Address chaptering conflicts with AB 1275 (Elhawary), AB 650 (Papan), and SB 233 (Seyarto), and reduces the categories of CSU and UC projects that are eligible for the more limited environmental analysis established by this bill.

**ANALYSIS:**

Existing law:

1) Requires the California Air Resources Board (CARB), to set regional targets for greenhouse gas (GHG) reductions and requires MPOs to prepare a SCS as part of their regional transportation plans (RTP). The SCS demonstrates how the region will meet its GHG targets through land use, housing, and transportation strategies. If the SCS is unable to achieve GHG reductions established by CARB, the MPO is required to prepare an alternative planning strategy (APS) showing how the GHG targets will be achieved.

2) Establishes Housing Element Law (HEL), which requires, the department of Housing and Community Development (HCD), in consultation with each COG, to prepare the Regional Housing Needs Determination (RHND) for each region using population projections produced by the Department of Finance (DOF) and regional population forecasts used in preparing RTP updates, in consultation with each COG.

3) Provides that each community's fair share of housing be determined through the RHND and the subsequent Regional Housing Needs Allocation (RHNA) plan for the region. Establishes the RHND/RHNA process as follows:

   a) RHND. DOF and HCD develop regional housing needs estimates;
   b) RHNA Plan. COGs allocate housing units within each region based on the RHND in a manner that furthers key state housing goals. Where a COG does not exist, HCD conducts the allocations; and,
   c) Housing Element Revisions. Cities and counties incorporate these allocations and update their housing elements.

4) Establishes the California Environmental Quality Act (CEQA), which requires public agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or an environmental impact report (EIR) for this action, unless the project is exempt from CEQA.

5) Establishes the following for public higher education institutions under CEQA:

   a) The selection of a location for a campus and the approval of a long-range development plan (LRDP) requires the preparation of an EIR.
   b) The approval of a project on a particular campus or medical center may be addressed in a tiered environmental analysis based on the EIR for the relevant LRDP.
   c) Enrollment, or changes in enrollment, by themselves, do not constitute a "project" for the purposes of CEQA.
   d) A court may order a public higher education campus or medical center to prepare a new, supplemental or subsequent EIR if it determines that increases in campus population exceed the projections adopted in the most recent LRDP.
   e) Places limits on the ability of a court to enjoin increases in campus populations that exceed projections in the LRDP.
   f) An EIR for a residential or mixed-use housing project, as defined, for public higher education institution is not required to consider alternatives to the location for the project if the project is no more than five acres in size, is substantially surrounded by qualified urban uses, and the project has already been evaluated in the EIR for the most recent LRDP for the campus.

This bill:

1) Requires MPOs to take into account changes in student enrollment at California Community Colleges (CCCs), CSUs, and UCs when they identify areas in the SCS to house the population of the region.

2) Amends the Regional Housing Needs Determination (RHND) and RHNA requirements specified in Housing Element Law as follows:

   a) Requires the Department of Finance (DOF) to consider changes in student enrollment levels at campuses of the CSU and UC, as forecasted by the UC and CSU, during the RHND process; and,

b) Adds the following items to the list of factors COGs must consider when they develop the RHNA plan:

i) The distribution of public and private university students among jurisdictions within the COG; and,

ii) 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 Trustees of the CSU, and requests the Regents of 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, based on factors including but not limited to:

a) Cohort progression projections;

b) Improvements in the percentage of California residents meeting university admission and transfer standards; and

c) Improvements in degree completion by noncohort students.

4) Requires the Trustees of the CSU to, and requests that the Regents of the UC, provide the forecast data specified in 3) above, to the Director of Finance, Director of HCD, and the Chairperson of the Joint Legislative Budget Committee.

5) Requires the Trustees of the CSU to, and requests that the Regents of the UC, provide trip and travel data to COGs upon request.

6) Amends the California Environmental Quality Act (CEQA) to state that the UC and CSU are not required to conduct a ″no project″ alternatives analysis as part of an Environmental Impact Report (EIR), a supplemental EIR, or in any addendum for a *development* project if:
a) The lead agency finds that the development project is necessary to achieve the campus' share of its enrollment goals;

b) The UC and CSU have provided the forecast of changes in enrollment levels required by this bill; and

c) One of the following conditions is satisfied:

i) The development 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; or

ii) The development project is deemed by the applicable transportation planning agency as being ″consistent″ with its SCS or an alternate strategy approved by the California Air Resources Board (CARB), and the MPO submits a written determination that the project is consistent.

**Background**

1) *The Alphabet soup of Regional Planning*. Metropolitan Planning Organizations (MPOs) are regional agencies established by federal law. MPOs are typically organized into governance structures called COGs and are directed by boards comprised of representatives from local governments and transportation agencies. California has 18 MPOs, four of which are multi-county MPOs that coordinate planning in three or more counties. MPOs represent 84% of the state's population.

   MPOs are required to include a SCS in the RTP. The SCS demonstrates how the region will meet its GHG emission reduction targets, which are set by CARB, through land use, housing, and transportation strategies. These targets also help regions achieve federal Clean Air Act requirements. CARB must review the adopted SCS to confirm that it will meet the regional targets; if not, the MPO must prepare an APS.

   Each SCS is informed by the determinations and regional allocations prepared as a part of the housing element process. For the housing element process HCD works with the Department of Finance to develop each region's projected population growth, and based on these projections, develops a RHND for each COG (as noted above, most MPOs are also COGs). The COG in turn develops a methodology for distributing the number assigned by HCD through its RHNA plan, which allocates share among the jurisdictions in its region. Local governments each prepare a housing element that adequately plans to meet their existing and projected housing needs, including their share of the regional housing need. Existing law requires local governments to revise their housing elements every eight years, following the adoption of every other RTP.

2) *Higher Education Enrollment and Planning.* The state typically sets enrollment growth expectations for the CSU and the UC in the annual budget act. These growth expectations are typically focused on resident students that receive state

support (in-state tuition), but may also include nonresident students who pay the full cost of enrollment. Nonresident student enrollment constitutes 15% of UC undergraduate enrollment, 5.5% of CSU undergraduate enrollment, and 3% of CCC enrollment. The 2024-25 Budget Act set enrollment expectations for the CSU and UC in 2024-25, with a target of 390,598 (graduate and undergraduate) for the CSU, and 206,588 (undergraduate) for the UC (graduate enrollment growth targets were not included in the 2024-25 Budget Act).

CSU Campuses and UC Campuses (including medical centers) develop comprehensive plans that guide the physical development, circulation, and land use at the campus in order to implement the academic and strategic plan for the campus. UC campuses prepare LRDPs and CSU campuses prepare physical master plans (MPs). LRDPs and MPs function similar to a general plan for a local government, and typically envision physical campus growth over a 10-15 year time horizon. The CSU Board of Trustees and the UC Board of Regents must approve each campus' MP and LRDP.

CSU and UC must evaluate the potential impacts of an LRDP and MP under CEQA, and CEQA specifically requires the preparation of an EIR for LRDPs for the UC. LRDPs and MPs analyze campus development at a programmatic level, and enable campuses to streamline the environmental review process for subsequent projects that implement the LRDP or MP. For subsequent developments that implement the LRDP or MP (e.g. a dorm) project-specific environmental review is still required, but the process is generally more focused and shorter as the campus can leverage the environmental analysis and mitigation measures identified for the MP or LRDP. This approach to CEQA compliance is generally referred to as tiering.

**Comments**

1) *Author's statement.* "The State of California has made a promise to its young people: Graduate in the top third of your class and you are guaranteed admission to a CSU campus. Graduate in the top eighth, and you qualify for UC admission. Yet qualified California residents are currently being denied admission to their university of choice due to lack of sufficient space to house them. 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. SB 486 removes population growth as a basis to mount a CEQA challenge to a campus development project. It also requires the university systems to participate in the development of regional sustainable communities strategies and associated housing and transportation plans."

2) *Planning Coordination.* This bill requires MPOs to consider enrollment changes at campuses of public higher education institutions (the CSU, the UC, and the CCC) when they prepare the SCS for the region, and it directs the CSU and UC specifically (but not the CCC) to provide specific data for COGs and HCD to consider when they prepare the RHND and RHNA plan for the region. MPOs and COGs often coordinate with higher education institutions when they prepare the RTP/SCS, RHND, and RHNA plans, however the level of coordination can vary:

   a) Sacramento Area Council of Governments (SACOG) prepares the RTP/SCS (note SACOG refers to their RTP as a Metropolitan Transportation Plan (MTP)), RHND, and RHNA plan for the greater Sacramento region. In SACGOs adopted RHNA Plan SACOG noted:

      "The plans made by Sacramento State University and University of California Davis campuses are considered as a part of the MTP/SCS land use forecast and are thereby incorporated into the methodology. SACOG staff held a meeting with representatives of UC Davis, City of Davis, Yolo County, and Department of Finance to discuss the housing needs of UC Davis students and how it relates to the MTP/SCS and RHNA methodologies… One of the key ways the MTP/SCS achieves [its GHG reduction] target is by continuing to forecast the existing trend of new housing being built close to jobs, which reduces trip distance and facilitates alternative modes of transportation. In this way, the MTP/SCS forecasts more housing near both UC Davis and Sacramento State University."

   b) San Luis Obispo Council of Governments (SLOCOG) prepares the RTP/SCS, RHND, and RHNA plan for the San Luis Obispo Region. SLOCOG's 2019 RHNA working group included Cal Poly staff responsible for facilities planning and capital projects, and the technical transportation advisory committee for the RTP similarly included a representative from Cal

Poly. SLOCOGs most recently adopted RHNA plan makes note of the Cal Poly Master Plan that was under development and the RHNA plan states the following:

"New dormitory beds and housing on campus were considered and accounted for within the group quarters' portion of the HCD determination. While no adjustment was made to further address the needs for college age housing, the selected methodology weighting leads to more housing units near the colleges…"

c) Association of Bay Area Governments (ABAG) Prepares the RHND and RHNA plan for the greater bay area region and it works in coordination with the Metropolitan Transportation Commission on the RTP/SCS for the region. ABAG indicated in its RHNA Plan that responses to questions from ABAG's local jurisdiction survey regarding housing demand created by postsecondary educational institutions indicate a need for better data collection on this issue. ABAG noted that eight of its jurisdictions were able to estimate housing demand created by postsecondary educational institutions based surveys conducted by these institutions, but that other jurisdictions were not able to obtain information from local colleges and universities. The RHNA plan did not indicate whether CSUs and UCs, the institutions implicated by RHND and RHNA requirements of this bill, community colleges or private institutions provided or failed to provide data to ABAG jurisdictions.

While certain COGs appear to closely coordinate with CSUs and UCs regarding their enrollment plans as called for in this bill, this bill would formalize a more rigorous coordination standard for major regional planning efforts to consider planned enrollment changes at public institutes of higher education.

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

According to the Assembly Appropriations Committee:

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.

**SUPPORT:** (Verified 9/9/25)

Power CA Action
San Francisco Bay Area Planning and Urban Research Association

**OPPOSITION:** (Verified 9/9/25)

None received.

**ARGUMENTS IN SUPPORT:** Power CA Action writes in support, "This bill requires the Regents of the University of California and the Trustees of the California State University system to provide comprehensive, sophisticated enrollment forecasts to regional councils of government and metropolitan planning organizations to be incorporated into regional transportation plans, sustainable communities strategies, and, by extension, regional housing needs allocations. In exchange, enrollment growth would no longer be analyzed as a local population impact under CEQA when a university plan or project is consistent with the regional plan."

ASSEMBLY FLOOR: 79-0, 9/9/25
AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NO VOTE RECORDED: Hart

Prepared by: Hank Brady / HOUSING / (916) 651-4124
10/14/26 15:37:04

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