

ASSEMBLY THIRD READING

AB 1147 (Friedman)

As Amended March 18, 2021

Majority vote

SUMMARY

Requires each Metropolitan Planning Organization (MPO) submit a 2035 target action plan by July 1, 2023, to identify barriers in meeting regional greenhouse gas (GHG) emissions reduction targets and establishes the Sustainable Communities Strategy (SCS) Block Grant Program.

Major Provisions

- 1) Requires each MPO submit data every four years to the California Air Resources Board (CARB) that delineates how transportation funds have been spent in relation to the SCS, including the amount of transportation funding committed and spent for each transportation mode and the correlation between transportation spending and any increase or decrease in vehicle miles traveled (VMT) and allows CARB to require, by regulation, any additional data it deems necessary to satisfy the above requirement.
- 2) Requires, on or before July 1, 2023, CARB to determine:
 - a) Whether each MPO is on track to meet its regional GHG emissions reduction target for 2035.
 - b) Whether there is any discrepancy between regional emissions reduction targets and any relevant targets contained within CARB's most recent scoping plan.
 - c) What actions are necessary for each MPO to meet its regional GHG emissions reduction target for 2035 and what actions are necessary to align regional GHG emissions reduction targets for the MPO with CARB's scoping plan.
- 3) Requires, on or before July 1, 2023, each MPO submit a 2035 target action plan to CARB for review and approval.
- 4) Requires a city or county to make a good faith effort to take actions that support its region's SCS or APS, including when amending or developing its general plan.
- 5) Authorizes an MPO to request a consultation with the board of supervisors or city council to discuss actions the local agency is authorized to take to assist in meeting those targets, if the MPO concludes that a local agency's land use decisions are interfering with the region's achievement of the regional GHG emissions reduction targets. Requires consultation to occur within 30 days of the MPO's request and requires results to be reported back to the governing body of the MPO.
- 6) Creates the SCS Block Grant Program, administered by SGC, to provide block grants, upon appropriation by the Legislature, to each MPO with an approved 2035 target action plan to support efforts to meet each region's GHG emissions reduction targets.
- 7) Authorizes an MPO to consider whether a city or county has made a good faith effort to take actions that support its region's SCS or APS when allocating its block grant.

- 8) Requires, on or before July 1, 2023, the California Transportation Commission (CTC), in consultation with the ATP Workgroup, to revise ATP guidelines and project selection criteria to include provisions for pilot innovative and transformative active transportation projects, including the proposal submitted by Caltrans, as a part of this bill, and that facilitate the creation of 15-minute cities through active transportation investments.
- 9) Requires, on or before July 1, 2023, Caltrans submit to CTC a proposal, as specified, for approval and potential ATP funding for a pilot program establishing branded networks of bicycle highways that are numbered and signed within two of California's major metropolitan areas in different regions of the state.

COMMENTS

SB 375 (Steinberg), Chapter 728, Statutes of 2008, also known as the Sustainable Communities and Climate Protection Act, requires CARB to set regional targets for GHG emissions reductions from passenger vehicles. In 2010, CARB established targets for 2020 and 2035 for each region covered by one of the state's MPOs. MPOs, as part of their RTPs, develop an SCS that contains land use, housing, and transportation strategies that, if implemented, would allow the region to meet its GHG emissions reduction targets. Once adopted by the MPO, the RTP guides the transportation policies and investments for the region. CARB reviews each adopted SCS to determine if it agrees that the SCS, if implemented, would meet the regional GHG targets. If the combination of measures in the SCS would not meet the regional targets, existing law requires the MPO to prepare a separate APS to meet the targets.

Progress towards SB 375 goals: SB 150 (Allen), Chapter 646, Statutes of 2017, requires CARB to report to the Legislature on the progress of SB 375 implementation every four years. The 2018 report found that GHG emission reductions under SB 375 are not being achieved and that VMT per capita is not declining, despite every MPO preparing an SCS as required. This suggests that SCS plans are not being implemented as envisioned and/or are not yielding the expected results. This finding is based on statewide total GHG emissions and VMT data, rather than by region, due to data gaps, so it is difficult to see how each region is performing.

SB 375 emissions gap explained: Placing the lack of progress in VMT reductions solely on SCS implementation is a point of contention for regions that say that many VMT reduction strategies fall outside the authority of MPOs. According to comments on CARB's Draft Mobile Source Strategy by the California Association of Councils of Governments, "CARB's Scoping Plan calls for a 25% decrease in GHG emissions (per capita) from reduced use of cars and light trucks. [Regional] strategies to meet the 2010 regional targets address 13% of these reductions. [Regional] strategies to meet the 2018 targets account for another 5%. That leaves 7% in state-initiated VMT reduction strategies unaddressed." This bill seeks to address this issue by requiring CARB to determine whether there is any discrepancy between regional GHG emissions reduction targets and any relevant targets contained within CARB's most recent scoping plan. This bill also requires CARB to determine what is necessary for each MPO to meet its regional GHG emissions reduction target for 2035 and what actions are necessary to align regional GHG emissions reduction targets for the MPO with CARB's scoping plan.

Coordination required: In the report required by SB 150, CARB recommends that an interagency body involving the Secretaries and Chairs of key California agencies and Commissions, and representatives from regional and local governments produce and implement a new "State Mobility Action Plan for Healthy Communities" that responds to this report's

findings on challenges, opportunities, and data gaps. This bill addresses that recommendation and calls upon SGC, as a part of its overview of CTP, SCSs, and APS, to assess barriers to the achievement of state and regional GHG emissions reduction targets. In performing the assessment, the bill requires SGC to convene key state agencies, MPOs, and local governments to assist in completing the report.

Good faith efforts by cities and counties: A 2018 Legislative Analyst's Office report, "Assessing California's Climate Policies – Transportation," noted a possible reason why SB 375 is not reducing driving because SCS plans might not be getting implemented at the local level. Cities and counties retain authority over land use decisions and are not obligated to make decisions that are consistent with their regional SCS plan. For example, a city might have zoning requirements that limit housing density or require minimum amounts of parking for new housing development that are at odds with the travel demand model assumptions used by their MPO in the regional SCS plan. A recent survey of local governments by University of California Davis researchers found that, on average, respondents had adopted only about half of the 8 most common land use assumptions found in SCS plans. Moreover, one-quarter of respondents were unaware of the state grant programs available to support SB 375 implementation. This bill addresses this problem by requiring a city or county to make a good faith effort to take actions that support its region's SCS when amending or developing its general plan and authorizes an MPO to meet with the governing local body regarding taking actions take to assist in meeting the SB 375 targets.

Funding challenges: Some regions have identified challenges with obtaining state funding for projects to reduce VMT. While the state offers a number of competitive grant programs for housing and infill infrastructure, they are typically focused on individual projects already planned by a developer. In infill areas, challenges with existing infrastructure create an immediate barrier to potential development and therefore those individual housing projects never materialize. Sacramento Council of Governments (SACOG), for example, cites the need for funding in areas where significant housing development is unlikely without major areawide investment, rather than providing last-in funding for specific individual projects that may be likely to occur regardless. To address this problem, this bill creates the SCS Block Grant Program to provide grants to each MPO with an approved 2035 target action plan. As an accountability measure, this bill requires MPOs to consider if cities and counties have made good faith efforts when allocating its block grant.

Bicycle highways: In its 2017 "Toward an Active California: State Bicycle and Pedestrian Plan" Caltrans proposed exploring opportunities to develop a network of separated "bicycle highways" to serve regional and interregional travel. Specifically, the strategy recommended pursuing development of branded (e.g., numbered, signed, and legible) networks of bicycle highways within California's major metropolitan areas, potentially through a pilot study. This bill, similar to the Caltrans proposal, requires the pilot to restrict the use of the network to bicyclists, and ensure the network has intermittent entrances and exits, serves longer distance trips (five miles or more), and supports higher-speed travel up to 20-25 miles per hour.

Please see the policy committee analysis for a full discussion of this bill.

According to the Author

"AB 1147 takes a multifaceted approach to set California on the course to meet its GHG emission reduction targets expected under SB 375 by making changes at the state, local, and regional levels to provide tools, accountability, and incentives for MPOs to meet their 2035

regional GHG emission target. AB 1147 requires each MPO to create a 2035 Target Action Plan, develops a new block grant program to ensure MPOs achieve their 2035 goals, and requires local governments to make a good faith effort to take actions that support their MPO's SCS. Active transportation must play a vital role in California's goal to reduce GHG and VMT. Walking and bicycling also have many positive benefits associated with public health, strong local economies, and sustainable and equitable development. AB 1147 assists in the development of transformative active transportation projects that other cities and countries have embraced, but have not been done in California, such as bicycle highways and 15 minute cities. AB 1147 will improve the sustainability and quality of California's communities."

Arguments in Support

In support the American Lung Association in California writes, "AB 1147 would address the fact that SB 375 is not yielding intended climate, health, equity, conservation and other goals. This bill would bring local, regional and state agencies together to identify barriers to achieving regional climate goals, add a 2035 target action plan to identify key barriers, areas of investment that support or detract from target achievement, outreach to – and reports of input from – disadvantaged communities, and corrective actions for an MPO to meet its 2035 regional GHG target. The bill would also create a block grant program for regional agencies to distribute in order to achieve the target action plan."

Arguments in Opposition

No opposition on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee:

- 1) Cost in the mid hundreds of thousands of dollars annually (Cost of Implementation Account) for CARB to evaluate MPO progress on meeting regional GHG emissions reduction targets, develop and modify regulations and assist SGC and other state agencies. CARB estimates these activities to require two analytical positions and one attorney, at an annual cost for salary, overhead and benefits of \$620,000.
- 2) Costs in the mid hundreds of thousands of dollars (General Fund) to SGC to develop, implement and administer the block grant program. The council anticipates needing three analytical positions and one manager to complete this work.
- 3) Costs in the range of \$75,000 to \$150,000 (special fund) to Caltrans to propose a pilot bicycle highway network in two major metropolitan areas that would be eligible for funding through ATP, and to prepare and submit a related report to the Legislature.
- 4) Costs in the mid tens of thousands of dollars (special fund) to CTC to conduct workshops, revise ATP guidelines and evaluate the bicycle highway network pilots.
- 5) Cost pressure in tens of millions to hundreds of millions of dollars to fund the Sustainable Communities Strategy Block Grant Program (General Fund and special funds).

VOTES

ASM TRANSPORTATION: 10-3-2

YES: Friedman, Berman, Daly, Gipson, Kalra, Lee, Medina, Nazarian, O'Donnell, Ward

NO: Fong, Davies, Nguyen

ABS, ABST OR NV: Cunningham, Wicks

ASM NATURAL RESOURCES: 8-3-0

YES: Luz Rivas, Chau, Friedman, Cristina Garcia, McCarty, Muratsuchi, Stone, Wood

NO: Flora, Mathis, Seyarto

ASM APPROPRIATIONS: 12-4-0

YES: Lorena Gonzalez, Calderon, Carrillo, Chau, Gabriel, Eduardo Garcia, Levine, Quirk,
Robert Rivas, Akilah Weber, Holden, Luz Rivas

NO: Bigelow, Megan Dahle, Davies, Fong

UPDATED

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CONSULTANT: Christine Casey / TRANS. / (916) 319-2093

FN: 0000571