SENATE COMMITTEE ON ENVIRONMENTAL QUALITY Senator Allen, Chair 2023 - 2024 Regular

Bill No. AB 350 **Hearing Date:** 7/12/2023

Author: Aguiar-Curry **Version:** 6/14/2023

Urgency: No Fiscal: Yes

Consultant: Eric Walters

SUBJECT: Regional transportation plans: Sacramento Area Council of Governments

DIGEST: This bill provides a two-year extension for the Sacramento Area Council of Governments (SACOG) to adopt and submit its Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS).

ANALYSIS:

Existing federal law:

- 1) Requires any urbanized area with a population greater than 50,000 to establish a metropolitan planning organization (MPO) that, among other things, is responsible to ensure that regional transportation planning is cohesive across local jurisdictions.
- 2) Requires each MPO to prepare and update a transportation plan, as specified, for its area at least every four years.

Existing state law:

- 1) Establishes the California Air Resources Board (CARB) as the air pollution control agency in California and requires CARB, among other things, to control emissions from a wide array of mobile sources and coordinate, encourage, and review the efforts of all levels of government as they affect air quality.
- 2) Requires ARB to determine the 1990 statewide greenhouse gas (GHG) emissions level, and achieve that same level by 2020 (AB 32), and achieve a 40% reduction from that level by 2030 (SB 32).
- 3) Requires MPOs to prepare and adopt regional plans that, with specifications, achieve a coordinated and balanced regional transportation system.

- 4) Except otherwise provided, requires a transportation planning agency to adopt and submit, every four years, an updated Regional Transportation Plan (RTP) to the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans).
- 5) Requires, and establishes a process for, CARB to provide MPOs with GHG emissions reductions targets, and update those targets every eight years. Authorizes ARB to revise the targets every four years.
- 6) Requires, as a part of the RTP, a Sustainable Communities Strategy (SCS), as specified, to be prepared by each MPO, to identify transportation, housing, and land use measures and policies that will reduce GHG emissions.
- 7) Allows, if the SCS is unable to reduce GHG emissions to achieve the GHG emission reduction targets established by CARB, the MPO to instead prepare an Alternative Planning Strategy (APS) to the SCS showing how those GHG emission reduction targets would be achieved through alternative development patterns, infrastructure, or additional measures or policies.
- 8) Declares that neither an SCS nor APS regulates the use of land, and that nothing in a SCS shall be interpreted as superseding the exercise of the land use authority of cities and counties within the region.

This bill:

- 1) Requires SACOG to adopt and submit its update to the 2020 RTP/SCS adopted on November 18, 2019, to the CTC and Caltrans on or before December 31, 2025.
- 2) Requires SACOG to submit its SCS, after adoption, to the CARB.
- 3) After the update, resets the time period for SACOG's updates to its RTP/SCS and requires updates to be adopted and submitted every four years.
- 4) States that the update to SACOG's RTP that SACOG will prepare and submit to federal agencies for purposes of federal compliance shall not be considered an RTP/SCS under current California law and shall not constitute a project for purposes of the California Environmental Quality Act (CEQA).
- 5) Prohibits the CARB from applying any update to the GHG emission reduction targets for the SACOG region before SACOG adopts the update to its RTP/SCS.
- 6) Makes other technical non-substantive changes.

7) Contains finding and declarations regarding the need for the bill.

Background

1) Regional Transportation Plans (RTP)s. All of California's MPOs and RTPAs are required by federal and state law to conduct long range planning to set forth a clearly identified defined vision and goals for transportation in the region and to ensure effective decision making to further the vision and goals. California currently has 18 federally-designated MPOs and 26 state-created RTPAs. The long range plan, known as the RTP, is an important policy document that is based on the unique needs and characteristics of a region and communicates the regional vision to the state and federal government. The RTP considers a minimum 20-year horizon and should be integrated with local jurisdiction's land use plans. MPOs and RTPAs are required to update the RTP every four or five years, depending on a region's clean air attainment.

The RTP should represent a coordinated and balanced regional transportation system including, but not limited to, mass transportation, highway, railroad, maritime, bicycle, pedestrian, goods movement and aviation. The CTC develops guidelines that govern the content and requirements for the RTP so that it conforms with both federal and state law. The most recent RTP Guidelines (2017) include updates such as following state climate change mitigation/adaptation guidance, considering environmental justice issues, and updating travel demand models. RTPs are financially constrained policy guidance frameworks. The CTC is currently working on an update to the RTP guidelines.

2) Sustainable Communities Strategies (SCSs). As a part of the strategy to meet the state's climate goals and focus on the transportation sector, the Legislature passed and Governor Schwarzenegger signed into law, SB 375 (Steinberg, Chapter 728, Statutes of 2008). SB 375 aligns transportation planning, land use and housing to reshape development in communities. SB 375 authorizes ARB to set GHG emissions reduction targets for each of the state's 18 MPO regions. The MPOs work with CARB, exchanging technical data, to set the targets, including recommending a target for their region.

MPOs are required to adopt an SCS as part of their RTP to demonstrate how their region will meet the target. The SCS sets forth a vision for growth in the region taking into account its transportation, housing, environmental, and economic needs. The SCS should set a development pattern for the region, which when integrated with the transportation network, will reduce GHG emissions from automobiles and light trucks to achieve the targets. If an MPO,

through the development of an SCS, determines they will not be able to reach the target, the MPO may develop an alternative planning strategy (APS) that identifies the principal impediments to meeting the targets. MPOs do not have authority to directly regulate land use.

Extensive public outreach for the development and approval of an RTP/SCS is required, with workshops, public hearings and meetings with affected city and county officials. MPOs must also complete an Environmental Impact Report (EIR) for the RTP/SCS, as required by CEQA.

The intent of SB 375 was to empower regions to develop innovative strategies as part of their SCS to meet their target. While there are requirements for information the SCS must contain including identifying areas for future development and housing, information on resources and farmland, and integrating development with the transportation network, it does not currently prescribe any one strategy for achieving the targets.

AB 350 would allow SACOG to extend their existing RTP/SCS for roughly two years from an original due date of November 2023 to December 2025.

Comments

- 1) Purpose of Bill. According to the author, "The Sacramento Area Council of Governments (SACOG), the Metropolitan Transportation Commission, and San Joaquin Council of Governments comprise the Northern California Megaregion, which includes 16 counties, 136 and a population of nearly 11 million. Each of these entities is required to develop a Sustainable Communities Strategy (SCS), but each entity has different deadlines. AB 350 will facilitate greater interregional collaboration and the development of shared transportation priorities throughout the Megaregion by better aligning SACOG's next SCS update with those of MTC and SJCOG. It will also enhance public outreach in the regional planning process by allowing SACOG's Rebuilding American Infrastructure with Sustainability and Equity (RAISE) planning grant work to inform the SCS update."
- 1) Not the first SCS delay. By law, SCS plans must be updated every four years. In 2019, AB 1730 (Gonzalez, Chapter 634, Statutes of 2019), the San Diego Association of Governments (SANDAG) received an extension of the due date of its RTP/SCS to allow for "additional time to plan and be ambitious in reducing greenhouse gas emissions, in order to ensure the region is doing the most it can in the best way possible." Prior to the requested extension, SANDAG had experienced some financial scandals and gone through a

wholesale restructuring of the agency and Board of Directors.

As part of the SANDAG extension, the Legislature added some requirements for SANDAG to follow. Specifically, AB 1730 required SANDAG to develop an implementation report of its SCS that tracks the implementation of its most recently adopted SCS. Additionally, AB 1730 restricted the types of projects SANDAG could nominate for funding from the Solutions for Congested Corridors Program, a newly created program in SB 1 (Beall, Chapter 5, 2017), the Road Repair and Accountability Act.

It is the understanding of committee staff that the author's office, sponsor, and ARB are continuing productive dialogue about additional requirements to add to AB 350 to ensure the two-year delay is not given freely without some tangible benefits to the communities and state alike.

2) What do we lose by delaying? Benjamin Franklin once said, "If you fail to plan, you are planning to fail." The Legislature has heeded this advice, and there is no shortage of great plans for California, including how to meet the state's climate goals, achieve regional GHG reductions, and decarbonize different economic sectors. Where the problem seems to lie now is not in failing to plan, but in failing to implement.

On the topic of SB 375 and SCSs specifically, the challenge has not been a lack of ambition. At the 2018 CARB Board Meeting where the updated SCS targets were decided by CARB, ambition was increased across the board. Each region was assigned a target--ranging from a three to fifteen percent reduction in per capita passenger vehicle GHG emissions relative to 2005 by 2020--with the amount increasing by 2035. Smaller regions generally had smaller targets, and no region was assigned a target over nineteen percent for 2035.

The update voted on at the meeting was, according to staff, a "paradigm shift" in how the CARB approaches tracking and evaluating the effectiveness of SCSs. Then-Chair Mary Nichols said the update "brings greater focus to tracking and monitoring policies and investments at the regional level." However, the meeting also included a robust discussion of SANDAG's targets, in particular whether they should be increased further. As part of that discussion about what specific number the GHG target should be set at, Then-Chair Nichols remarked, "we've heard enough to know these numbers are largely symbolic."

So, will a two-year delay for SACOG's specific RTP/SCS jeopardize the state's ability to achieve its climate goals? It seems unlikely. On the other hand, per the

author and sponsor's description of what additional work the two-year delay will entail, it seems real, meaningful work could better be done with this delay.

3) What do we gain by delaying? Fortunately, AB 350 represents a commitment to two important pieces of developing a successful, integrated regional transportation and land-use plan: megaregional coordination and an improved focus on equity.

SACOG, MTC and SJCOG comprise the Northern California Megaregion, which includes 16 counties and 136 cities with a total population of nearly 11 million. The regions have been collaborating to advance interregional projects that will benefit quality of life, transportation, and commerce throughout Northern California, including passenger rail expansions, and freight-related facilities, such as truck scales and electric truck charging infrastructure. The author states that an overarching goal of this bill is to facilitate greater interregional collaboration by aligning SACOG's next SCS update with those of the Bay Area's Metropolitan Transportation Commission (MTC) (November 2025) and the Valley's San Joaquin Council of Governments (SJCOG) (August 2026) and ensure that future SCS updates will better align with its Megaregion partners.

On the equity side, SACOG received a planning grant in August 2022 through the federal Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program to establish a model for equity-centered, community cocreated infrastructure project development that will reinvent how regional transportation projects are prioritized for state and federal investment. SACOG and partner Civic Thread, a trusted, local grassroots empowerment group and healthy community design expert, will integrate locally-identified mobility zones—areas for clean, shared, and active mode mobility solutions—into the Blueprint plan. Work on this project will be actively underway beginning in 2023, but due to the timing of the grant award, the results will not be available for inclusion in the SCS under the current timeline.

SACOG also recently created a new funding program, Engage, Empower, Impliment (EEI), to fund transportation projects that promote racially and socially equitable outcomes for Black, Indigenous, Asian, Pacific Islander, Hispanic/Latinx, other people of color, and low-income communities and the SACOG Board allocated \$3 million dollars for this program. EEI will use a community-based planning process for the Sacramento region that will start by engaging with communities to understand their transportation priorities and will then lead to the development and design of projects developed by, with, and for the communities they will benefit. Through this community-based engagement,

SACOG will create a pipeline of equitable, safe, and sustainable transportation projects throughout the Sacramento region that are community led, starting from the identification of priorities, solution ideation, and project design. A call for projects is expected in summer 2023.

Taken together, these improvements seem to justify the two-year delay. However, it should be noted that these two elements are currently only included in the findings and declarations of the bill. It is the understanding of committee staff that mutually agreeable statutory language to hold SACOG to a higher standard of accountability and transparency as they pursue these goals is in the works. The committee may wish to consider supporting this measure and remain engaged when such language is included.

Related/Prior Legislation

AB 1730 (Gonzalez, Chapter 634, Statutes of 2019) amended the timing and process for delivery of SANDAG's RTP/SCS.

SOURCE: Sacramento Area Council of Governments

SUPPORT:

Bia Bay Area

City of Sacramento

Civicwell (formally the Local Government Commission)

Elk Grove; City of

Environmental Council of Sacramento (ECOS)

Metropolitan Transportation Commission

North State Building Industry Association

Placer County Transportation Planning Agency

Roseville; City of

Sacramento Area Council of Governments

Sacramento Regional Transit District

Valley Vision, INC.

West Sacramento; City of

OPPOSITION:

None received