

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 2560 (Schultz) – As Amended April 15, 2026

Policy Committee: Transportation

Vote: 11 - 3

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill codifies ten goals for the Climate Action Plan for Transportation Infrastructure (CAPTI).

The ten goals are:

- 1) Build toward an integrated, statewide rail and transit network, centered around the existing California State Rail Plan that leverages the California Integrated Travel Project to provide seamless, affordable, multimodal travel options in all contexts, including suburban and rural settings, to all users.
- 2) Invest in networks of safe and accessible bicycle and pedestrian infrastructure, particularly by closing gaps on portions of the State Highway System that intersect local active transportation and transit networks or serve as small town or rural main streets, with a focus on investments in low-income and disadvantaged communities throughout the state.
- 3) Include investments in light-, medium-, and heavy-duty zero-emission vehicle infrastructure as part of larger transportation projects.
- 4) Reduce public health and economic harms and maximize community benefits to disproportionately impacted disadvantaged communities and low-income communities, in urbanized and rural regions, and involve these communities early in decision-making.
- 5) Make safety improvements to reduce fatalities and severe injuries of all users towards zero on the roadways, railways, and transit systems by focusing on context-appropriate speeds, prioritizing vulnerable user safety to support mode shift, designing roadways to accommodate for potential human error and injury tolerances, and ultimately implementing a safe systems approach.
- 6) Assess and integrate assessments of physical climate risk as standard practice for transportation infrastructure projects to enable informed decision-making, especially in communities most vulnerable to climate-related health and safety risks.
- 7) Promote projects that do not significantly increase passenger vehicle travel, particularly in congested urbanized settings where other mobility options can be provided, while recognizing that highway expansion projects serve different purposes and as a result assessing the impacts of each project will vary based on context and project-specific analysis.

- 8) Promote compact infill development while protecting residents and businesses from displacement by funding transportation projects that support housing for low-income residents near job centers, provide walkable communities, and address affordability to reduce the housing-transportation cost burden and auto trips.
- 9) Develop a zero-emission freight transportation system that avoids and mitigates environmental justice impacts, reduces criteria and toxic air pollutants, improves freight's economic competitiveness and efficiency, and integrates multimodal design and planning into infrastructure development on freight corridors.
- 10) Protect natural and working lands from conversion to more intensified uses and enhance biodiversity by supporting local and regional conservation planning that focuses development where it already exists and align transportation investments with conservation priorities to reduce transportation's impact on the natural environment.

FISCAL EFFECT:

While CAPTI implementation has been underway since its inception in 2021, codifying its goals in statute creates ongoing cost pressures of an unknown but significant amount, likely in the millions of dollars annually (General Fund, various special funds, federal funds, bond funds), on the California State Transportation Agency (CalSTA) to continue directing significant transportation dollars in projects and programs that align with CAPTI's climate, health, and equity goals. These programs include the Transit and Intercity Rail Program, the State Highway Operations and Protection Program, the Interregional Transportation Improvement Program, the Active Transportation Program, the Solutions for Congested Corridors Program, the Trade Corridor Enhancement Program, and the Local Partnership Program.

While many of these programs already have statutorily established parameters and goals that align with CAPTI, and many of these programs have made changes to further align with CAPTI, by enshrining goals in code, this bill creates a potentially significant, ongoing redirection of transportation funding, to the extent incorporating CAPTI strategies directs allocations to projects primarily focused on reducing greenhouse gas (GHG) emissions, improving public health, and promoting social equity.

COMMENTS:

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

The Newsom [CAPTI] has shown that with the appropriate action, we can make huge strides in tackling transportation emissions from infrastructure investments. However, there is still a long road ahead for implementation to meet our state climate goals. AB 2560 ensures CAPTI is implemented and updated well beyond the Newsom administration. This bill allows our current work and progress in significantly reducing GHGs in the transportation sector to be a legacy.

- 2) **Background.** In 2021, CalSTA adopted CAPTI, which details how the state recommends investing billions of discretionary transportation dollars annually to aggressively combat and adapt to climate change while supporting public health, safety, and equity. CAPTI builds on

executive orders signed by Governor Newsom in 2019 and 2020 targeted at reducing GHG emissions in transportation, which account for more than 40% of all emissions, to reach the state's ambitious climate goals.

According to CalSTA, as of July 2024, all 34 original actions identified in CAPTI had been implemented. The agency cites a study by San Jose State University, which estimates that due to CAPTI, discretionary transportation infrastructure investments made by the state generate only one-fifth the amount of GHG emissions compared to investments made during prior administrations. CalSTA released an updated CAPTI 2.0 in February 2025 with four new strategies and 14 new actions to further implement the CAPTI investment framework.

Supporters of this bill assert that in the final year of the Newsom administration, they wish to “ensure all the progress gained through CAPTI continues is institutionalized in our transportation agency processes. We strongly support codifying the ten CAPTI principles in law and upholding them in our priority transportation funding programs.” The groups argue, in response to CAPTI, “we’ve seen significant shifts in these state programs toward funding more transit, rail, and active transportation projects and away from funding auto-oriented projects like highway expansion.”

AB 2438 (Friedman), of the 2021-2022 Legislative Session, would have required the alignment of certain transportation funding programs with CAPTI and would have required additional public transparency procedures in the project selection process for various transportation programs. AB 2438 was vetoed by the Governor, who wrote:

While I share the goal of addressing the impacts of the transportation sector on climate change, this bill is unnecessary. Work is well under way at [CalSTA], the California Department of Transportation (Caltrans) and the California Transportation Commission to align funding programs in the bill with CAPTI, with several actions already completed.

CalSTA is committed to reviewing outcomes and integrating public feedback in future years to make modifications to CAPTI, as necessary, to meet the needs of the statewide transportation system. Linking these programs in statute to a specific iteration of this plan inhibits the state's ability to appropriately respond to the evolution of the state's response to climate change.

Writing in opposition, Transportation California and a coalition of organizations argue this bill attempts to address the above veto message by codifying the goals themselves rather than simply referencing the external document. The coalition argues the result is the same in that it “statutorily ties transportation funding programs, including SB 1 funded programs, to a fixed set of priorities, reducing the flexibility that has allowed CalSTA, Caltrans, and the CTC to successfully implement CAPTI as a living administrative document,” and that “codification of CAPTI goals would require future statutory amendments every time CAPTI evolves – exactly the inefficient outcome the Governor warned against.”