# SENATE COMMITTEE ON APPROPRIATIONS
**Senator Sabrina Cervantes, Chair**
**2025 - 2026 Regular Session**

**AB 2560 (Schultz) - Climate Action Plan for Transportation Infrastructure: goals**

**Version:** April 15, 2026
**Urgency:** No
**Hearing Date:** August 3, 2026
**Policy Vote:** TRANS. 9 - 4
**Mandate:** No
**Consultant:** Mark McKenzie

**Bill Summary:** AB 2560 would codify specified Climate Action Plan for Transportation Infrastructure (CAPTI) goals, consistent with state law.

**Fiscal Impact:**
- The Department of Transportation (Caltrans) and the California Transportation Agency (CalSTA) both indicate that any direct costs related to this bill would be minor and absorbable as current policies align with existing CAPTI goals. (State Highway Account)

- Unknown, potentially significant future cost pressures. To the extent that codifying existing specified CAPTI goals ensures that future transportation funds are spent in ways that directly align with those goals (such as projects focused on emission reductions, active transportation, and equity), the bill could limit the ability to direct transportation funding to other projects that may have a higher priority in the future, including projects to address congestion management, capacity expansion, or rehabilitation and maintenance. (Various special funds, federal funds, bond funds)

**Background:** In March, 2021, CalSTA released the draft Climate Action Plan for Transportation Infrastructure (CAPTI). The plan 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 Gavin Newsom in 2019 and 2020 targeted at reducing greenhouse gas (GHG) emissions in transportation, which account for more than 40% of all emissions, to reach the state's climate goals. CalSTA adopted the CAPTI in July 2021 as an action plan to implement the Executive Orders. Specifically, the CAPTI is “a framework and statement of intent for aligning state transportation infrastructure investments with state climate, health, and social equity goals, built on the foundation of the ‘fix-it-first’ approach established in SB1.” Additionally, CalSTA notes that CAPTI is a living document that can “adapt, pivot, and modify approaches and actions, as needed.” The CAPTI contains an overall transportation investment framework and specific strategies to implement the plan through state agency actions. In August 2021, the CTC endorsed CAPTI's framework and strategies and began a process of incorporating it into program guidelines for the programs they administer.

Since the adoption of CAPTI in 2021, CalSTA reported on its implementation progress with the release of two annual reports. After only two years, most of the original actions were underway or complete. As of July 2024, all 34 original actions had been implemented. To further evaluate the outcomes from the implementation of CAPTI, CalSTA contracted with the Mineta Transportation Institute (MTI), to develop a set of qualitative and quantitative metrics to help determine how state transportation investments are shifting. The study found that "the adoption of CAPTI has resulted in an overall reduction of GHG emissions generated across the portfolio of programs, an increase in the number of investments that do not generate higher GHG emissions and other pollutants, and an increase in the number of investments that do not induce VMT."

Throughout 2024, CalSTA embarked on a public engagement process to update CAPTI strategies and actions to further implement the overall existing frameworks, or the 10 guiding principles. In January 2025, CalSTA released CAPTI 2.0, which includes four new strategies and 14 new action items. CalSTA is planning to publish another implementation progress report before the end of 2026 to report on the final status and completion of each of the new CAPTI 2.0 actions. In addition, CalSTA will also be launching another study to evaluate changes from transportation investments on vehicle miles travelled, GHG emissions, equity, and economic outcomes.

**Proposed Law:** AB 2560 would codify all of the following as CAPTI goals, consistent with state law:

- 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.
- 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.
- Include investments in light-, medium-, and heavy-duty zero-emission vehicle infrastructure as part of larger transportation projects.
- 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.
- 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.
- Assess and integrate assessments of physical climate risk as standard practice for transportation infrastructure projects to enable informed decision-making, especially in communities that are most vulnerable to climate-related health and safety risks.
- 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.
- 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.
- 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.
- 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.

**Related Legislation:** AB 7 (Friedman), which died on the Senate Inactive File in 2023, would have require specified state transportation entities to incorporate the CAPTI goals into their existing program guidelines and planning processes, to the extent applicable, feasible, and cost effective. The bill would have also required the California Transportation Plan to include a financial element and an analysis of how specified state transportation entities are achieving principles outlined in CAPTI, the federal Infrastructure Investment and Jobs Act, and the federal Justice 40 initiative.

On and after January 1, 2025, and to the extent applicable *applicable, feasible,* and cost effective, this bill would require the agency, the Department of Transportation, and the California Transportation Commission to incorporate specified principles into their existing *goals into* program funding guidelines and processes.

AB 2438 (Friedman), which was vetoed by Governor Newsom in 2022, would have required various state transportation programs to incorporate strategies from the CAPTI into program guidelines, and for various state agencies to establish new transparency and accountability guidelines for certain transportation funding programs, as specified. The veto message included the following statements:

> *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, Caltrans, and the CTC 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.*

**Staff Comments:** As noted in the Senate Transportation Committee's analysis of this bill, AB 2560 would implement a new action item included in CAPTI 2.0: "to continue the vision and direction that CAPTI has set forth, CalSTA commits to working within the administration and with the legislature to preserve CAPTI's vision to ensure that the goals set forth through this plan continue to be a focus beyond the Newsom Administration." It is unclear how codifying CAPTI guiding principles will impact the climate and transportation policies of future administrations, however it could limit the ability to adapt to changing state goals and needs.

**-- END --**