
SENATE COMMITTEE ON ENVIRONMENTAL QUALITY

Senator Blakespear, Chair

2025 - 2026 Regular

Bill No: SB 1087
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SUBJECT: Transportation planning: sustainable communities strategies: Road Maintenance and Rehabilitation Program: local planning grants

DIGEST: This bill makes numerous changes to existing Sustainable Communities Strategy guidelines and requirements including but not limited to those that would significantly shift responsibilities from the California Air Resources Board to the California Transportation Commission, make changes to how strategies are evaluated, and align certain state funding opportunities with said strategies.

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. (23 U.S.C. §134–135)
- 2) Requires MPOs to prepare long-range (i.e. at least 20-year) regional transportation plans (RTPs) to establish regional goals, identify present and future needs, deficiencies, and constraints, analyze potential solutions, estimate available funding, and propose investments. (23 U.S.C. §134)
- 3) Defines “regionally significant projects” to mean a transportation project that is on a facility which serves regional transportation needs and would normally be included in the modeling of a metropolitan area's transportation network. (40 U.S.C. §93.101)

Existing state law:

- 1) Establishes the 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. (Health

and Safety Code (HSC) §39500 et seq.)

- 2) Requires CARB to determine the 1990 statewide GHG emissions level, and achieve that same level by 2020 (AB 32), and achieve a 40% reduction from that level by 2030 (SB 32, Pavley). (HSC §38500 et seq.)
- 3) Requires transportation planning agencies to prepare and adopt regional transportation plans (RTPs) that, with specifications, achieve a coordinated and balanced regional transportation system. (Government Code (GOV) §65080 et seq.)
- 4) Requires, as a part of the regional transportation plan, a Sustainable Communities Strategy (SCS) with specifications, to be prepared by each MPO. (GOV §65080)
- 5) Establishes a process for, and requires, CARB to provide regional transportation planning agencies with GHG emissions reductions targets that must be included in their SCS. (GOV §65080)
- 6) Requires CARB, pursuant to SB 150 (Allen, Chapter 646, Statutes of 2017), to report to the Legislature every four years on MPOs' progress towards meeting their GHG emission reduction targets in their SCS, including changes to emissions, metrics that support the strategies being used, a discussion of best practices, and an identification of challenges. (Allen, Chapter 646, Statutes of 2017)

This bill:

- 1) Directs CARB to:
 - a) Provide, no later than ____ years before the due date of a region's next SCS, a GHG emission reduction target for all on-road transportation sectors for 2035. Further stipulates:
 - i) CARB shall exchange technical information with MPOs and affected air districts;
 - ii) CARB must take into account the GHG emission reductions that will be achieved by improved vehicle emission standards, changes in fuel composition, and other measures CARB has and will approve that will reduce emissions;
 - iii) The GHG emission reduction targets must reflect the combined effect of policies, regulations, and investments by a number of entities across numerous levels of government, and be based on what is achievable for the region, taking into account existing conditions, as defined;

- iv) CARB must, before updating GHG emission reduction targets, exchange technical information with specified state, regional, and local entities and engage in a consultative process; release a draft target for public comment; publish its methodology and assumptions no fewer than 60 days before the release of a draft target; host at least two public workshops; and hold a public hearing within the applicable region;
 - v) CARB may express GHG emission reduction targets in any metric, provided said metric does not penalize regions for exogenous factors including population, economic growth, and cross-border traffic;
- b) Appoint a Regional Targets Advisory Committee (RTAC), which is directed to recommend:
 - i) Factors to be considered and methodologies to be used for setting GHG emission reduction targets; and
 - ii) How certain considerations should be balanced in setting GHG emission reduction targets.
 - c) Consider the report from the RTAC before setting GHG emission reduction targets; and
 - d) Develop the SB 150 report in consultation with the CTC and HCD, in addition to existing requirements.
- 2) Directs the CTC to:
- a) In collaboration with CARB, prescribe:
 - i) Technical methodologies that MPOs and regional transportation planning agencies may employ to estimate the emissions of GHGs; and
 - ii) The required contents of SCSs.
 - b) Maintain guidelines for travel demand models used by MPOs for SCSs.
 - c) Coordinate with RTPs to ensure that regionally significant projects, as defined, selected for funding by the state highway operation and protection program (SHOPP) align with the timing, phasing, and scope of projects included in RTPs.
 - d) Prior to initiation of a public participation process, receive and review from MPOs a description of the technical methodology the MPO intends to use to estimate the GHG emissions of the SCS (or APS). Further stipulates:
 - i) The CTC may object to the methodology;
 - ii) The CTC's review must be completed within 30 days; and
 - iii) The CTC's review is limited to only whether the methodology aligns with the latest CTC guidelines.
 - e) After adoption of an SCS (or APS), review the quantification of reductions of emissions of GHGs the strategy to achieve. Further stipulates:

- i) The CTC must review the strategy within ____ days for completeness (including whether the MPO used required data sources, disclosed assumptions, and applied methodology in a manner consistent with CTC guidelines);
 - ii) The CTC must determine within 60 days of submission of the strategy would, with nonsubstantive corrections, or would not achieve the GHG emission reduction targets;
 - iii) That if the CTC does complete this work in the allotted time, the strategy will be deemed approved for implementation and funding alignment purposes; and
 - iv) That in the event of strategy rejection, the CTC must provide written explanation of the deficiencies of the strategy, and the MPO must either revise the strategy or adopt an APS.
- 3) Directs MPOs to:
 - a) Submit an SCS (or APS) every eight years, rather than every four;
 - b) Prepare, if an SCS is unable to achieve the set GHG emission reduction goals, an APS, which shall include an analysis of additional infrastructure, transportation measures, or policies, if necessary;
 - c) Submit a SCS implementation report, consistent with CTC guidelines, alongside any RTP that does not include a new SCS.
- 4) Exempts from CEQA the preparation and adoption of RTPs, SCSs, and APRs if the MPO or regional transportation planning agency conducts enhanced public outreach, which may include activities such as workshops, interactive online tools, convening advisory panels, conducting targeted outreach, or employing public survey tools.
- 5) Defines relevant terms, including farmland, feasible, and resource areas.
- 6) Removes outdated legislative provisions regarding San Deigo's (from AB 423 (Gloria, Chapter 744, Statutes of 2019)) and Sacramento's (from AB 350 (Aguiar-Curry, Chapter 648, Statutes of 2023)) past SCS submissions.
- 7) Expands the allowable uses of Road Maintenance and Rehabilitation Account local planning grants to include the goals of an SCS.
- 8) Expands the eligibility and allowable uses of Solutions for Congested Corridors Program funds to include projects that are included in an APS, funding implementation of an RTP, and requires projects to document consistency and alignment with an RTP.

Background

- 1) *Regional Transportation Plans*. Long-term planning decisions about transit infrastructure by local governments are guided by 20-year Regional Transportation Plans (RTPs). Federal and state requirements for the development of RTPs have been in law since the 1970's, with additional requirements added over the years.

Over the decades that RTPs have been used, there have been changes in the considerations included in transportation planning. As an example, the latest California RTP Guideline revision in 2017 included updates such as following state climate change mitigation/adaptation guidance, considering environmental justice issues, and updating travel demand models.

- 2) *Sustainable Communities and Climate Protection Act of 2008 (SB 375)*. In 2008, the Legislature passed SB 375, a first-of-its-kind law to recognize the critical role of integrated transportation, land use, and housing decisions to meet state climate goals. The law requires each of California's 18 regional MPOs to include a new element in their RTPs – a SCS.

The key guiding metric in a SCS is a GHG emission reduction target, which is decided by ARB upon consideration of a district's specific challenges and capabilities. This target is supposed to guide long-term planning and local decision making on new transit, housing, and roadway projects. Ultimately, while these targets are intended to guide planning discussions, they are not enforceable. The question of how MPOs fund projects that advance their SCS remains open, and MPOs do not have the authority to directly regulate land use.

- 3) *Updated regional plan targets*. In an update to the SB 375 targets originally set in 2010, ARB staff proposed new targets for 2020 and 2035, which were approved in 2018. These more stringent targets again varied by MPO, but still represented a compromise between what the MPOs believed possible, and what ARB deemed necessary to achieve SB 32 targets. Specifically, the original 2010 targets would cumulatively contribute a 13% reduction in GHG emissions, and the updated targets would get to 19%. According to the 2017 Scoping Plan update, this reduction needs to be 25% - well above even the increased targets.
- 4) *SCS progress report to the Legislature*. As required by SB 150 (Allen, 2017), CARB prepared a report describing the MPOs' progress towards achieving the GHG emission reductions contained in their SCS documents. That report found

that California was not on track to meet the GHG reductions expected under SB 375, with emissions from statewide passenger vehicle travel per capita actually increasing. It is unlikely that any MPO achieved their 2020 GHG emission reduction goals. Without substantial changes, it will be unlikely they will achieve the currently set 2035 goals either.

Troubling findings, such as more single-occupant vehicle trips, longer commutes, and unchanging ratios of spending on roads versus other transit helped explain the shortcomings of SB 375 implementation to date. While preparing the first SB 150 report, CARB consistently heard concerns over the pervasive and longstanding disconnect between the factors that shape regional growth and development in California – such as transportation investment, housing market conditions at the local, regional, and state levels – and the state’s environmental, equity, climate, health, economic, and housing goals.

Overall, CARB concluded that SB 375, “...focused its efforts on MPOs and initiating change in the way planning for growth and travel occurs, but structural changes and additional work by all levels of government are still needed to implement what regions have identified to be needed strategies. While no single agency or level of government alone bears the responsibility for this work; there is an important opportunity to partner across many agencies, with regional and local government staff and elected officials, and with communities on taking collaborative action toward better results.”

- 5) *California Transportation Assessment Report (AB 285)*. In 2019, Assemblymember Friedman’s AB 285 (Chapter 605, Statutes of 2019) was signed into law. It called for an analysis of the California Transportation Plan and related documents—including RTP/SCSs—to see they are working towards or against better multimodal transportation options, GHG emission reductions, equity, and environmental justice. The AB 285 report, released in 2022 found that RTP/SCSs have been more ambitious than pre-SB 375 regional plans in encouraging more compact growth patterns, mode shifts toward sustainable transport, such as transit, biking, and walking, and reductions in VMT. However, the report did address the shortcomings of SB 375 implementation and made some recommendations. To quote:

“What accounts for the disappointing performance of RTP/SCSs in achieving desired outcomes? Various observers have long warned of structural flaws in SB 375 in terms of a mismatch of MPO responsibility with inadequate authority or resources to carry it out. To achieve plan goals, MPOs need state and local government support and cooperation, which so far have been inadequate.

“The need for local cooperation has been evident from the start. SB 375 relies on MPOs to coordinate transportation and land use at a regional scale, and plan analyses consistently show the synergistic benefits of this approach for reducing VMT and GHGs. But to achieve their SB 375 targets, the MPOs have relied on land use policy changes not yet adopted by many localities and which veer away from current local general plans and zoning ordinances. The MPOs do not control land use policymaking, which is the prerogative of local governments.”

Comments

- 1) *Purpose of Bill.* According to the author, “California passed SB 375 in 2008 with a bold and necessary vision: that the way we plan our communities, where we build homes, how we connect people to jobs and services, and how we invest in transportation, is inseparable from our ability to meet our climate goals. That vision was right then, and it is more urgent now. But nearly two decades of implementation have made one thing clear: the law as currently structured is not delivering the results Californians deserve. Our regions are still sprawling. Commutes are still growing. Families, especially those with the fewest options, are spending more and more of their incomes just to get to work and back. SB 1087 is a course correction. It aligns state dollars with regional climate plans, so that the billions California spends on transportation each year are working toward our goals, not against them. It streamlines a planning process that has become a compliance exercise rather than a tool for action, freeing our regional agencies to do what we need them to do: deliver projects, build housing in the right places, and invest in the transit and infrastructure that will determine whether California meets its climate commitments.”
- 2) *CARB is best for GHG reduction analysis...* As written, SB 1087 would task the California Transportation Commission (CTC) with developing technical GHG emission reduction methodologies, and with reviewing submitted SCS plans for their ability to achieve GHG emission reduction goals.

The CTC was created in 1978 and replaced and assumed the responsibilities of four independent bodies: The California Highway Commission, the State Transportation Board, the State Aeronautics Board, and the California Toll Bridge Authority. According to the CTC website, “The Commission is responsible for programming and allocating funds for the construction of highway, passenger rail, transit and active transportation improvements throughout California. The Commission also advises and assists the Secretary

of the California State Transportation Agency and the Legislature in formulating and evaluating state policies and plans for California's transportation programs. The Commission is also an active participant in the initiation and development of State and Federal legislation that seeks to secure financial stability for the State's transportation needs." The CTC does not currently review GHG methodologies as part of its normal responsibilities.

In contrast, CARB is California's primary air pollution and GHG regulator and the preeminent state entity for developing and assessing GHG emission methodologies. CARB have numerous staff currently who have significant training and experience in GHG quantification and projections.

It seems that this aspect of the bill comes from a place of frustration with CARB's existing GHG emission reduction methodology development and SCS review processes. These frustrations may be much better addressed by reforming CARB's existing processes, rather than transferring those responsibilities to a commission that was not established to—and may be hard-pressed to develop the ability to—perform technical analyses of GHG emission data. There may still be value in considering other ways some of CARB's responsibilities could be delegated or otherwise shaped by other agencies, and those conversations are expected to continue as this bill moves through the legislative process.

The committee may wish to keep GHG emission reduction methodology development and SCS review at CARB, rather than move it to the CTC as currently proposed.

- 3) *...but CARB's process does need improvements.* Regardless of CARB being the most appropriate entity to develop, review, and assess the technical GHG emission reduction methodologies, that does not change the fact that MPOs almost universally report frustrations with the existing processes.

Beyond moving some of CARB's responsibilities to the CTC, SB 1087 also introduces some new mechanisms to facilitate the process. Most notably, this bill would introduce a shot clock to the reviewing entity's timeline for review of technical methodology (30 days); judging completeness, among other things (number of days to be determined; accepting or rejecting the plan's suitability for achieving GHG emission reduction goals (60 days); and—if the plan is rejected—plan revision, resubmission (or submission of an APS), and (re)review (60 days). The penalty for the reviewing entity failing to comply with these timelines is that the plan is immediately deemed approved for implementation and funding alignment purposes.

Although these timelines may, in some situations, be uncomfortably short, they are sensible as an attempt to keep plans moving steadily towards final approval. Given the many years that thoroughly- and deliberatively-reviewed plans have failed to achieve GHG emission reduction targets and the common refrains from MPOs about the current process, it may indeed be reasonable to create such timelines. As more details of the bill potentially change during the legislative process these timelines could need to be reassessed, but they seem (if done by CARB) potentially reasonable.

A notable point of contention regarding the timeline for plan evaluation is whether a submission is deemed “complete” or not. As the bill moves forward, the author is encouraged to consider alternative approaches by which the reviewing entity may ensure they have a sufficiently-complete plan to review while still achieving the goals of the bill.

- 4) *Targets with considerations.* One aspect of CARB’s authority that SB 1087 does not attempt to move to CTC is the GHG emission reduction target-setting process. However, the bill does propose several changes to the process, through directly amending the relevant statute, directing the RTAC to provide certain guidance on target-setting to CARB, and placing certain requirements upon the metrics themselves used in the targets. These three avenues seem to have similar intent, but they could benefit from added clarity and consolidation.

Briefly, SB 1087 proposes that (and the author may wish to consider, going forward):

- a) CARB should appoint a Regional Targets Advisory Committee (RTAC), including practitioners as well as technical and policy experts, to recommend factors to be considered and methodologies to be used for setting GHG emission reduction targets, as well as recommend how specified factors should be balanced. *The composition, desired outcomes, and apparent value of the RTAC are all unclear and should be elucidated going forward;*
- b) The future GHG emission reduction targets set by CARB shall:
 - i) Be for all on-road transportation sectors for 2035, rather than just for the automobile and light truck sector as the law currently requires.

This small amendment introduces seismic changes to the scope of the SCS/APS. The types of housing, transit, and other land-use

decisions envisioned by SB 375 are significantly different policies from what governs emissions from, for example, the medium- and heavy-duty trucking sectors. Although those are major contributors of GHG and other air pollutant emissions, the original stated intent of SB 375 was to build upon the successful regional “blueprint” process by requiring MPOs to develop SCSs to be the “land use allocation in the [RTP].” By adding more sectors to the target that is the focus of the SCS, this may dilute focus on the intended scope of the strategy. There is a tradeoff to weigh here between a more-complete picture of the GHG emissions from the complete transportation sector versus a more-targeted focus on the types of transportation and housing-based land-use decisions SCSs have traditionally centered around.

- ii) “Reflect the combined effect of policies, regulations, and investments by cities, counties, special districts, county transportation agencies, air districts, metropolitan planning organizations, the state, and the federal government to improve fleet efficiency and reduce vehicle miles traveled.”

The author’s intent is understood to be that GHG emission reduction targets should be designed to capture the sum total of GHG reducing efforts underway. However, the specific terminology used may confound this goal. *Going forward, the author may wish to consider instead having the targets consider these same policies from all levels of government, to provide CARB more discretion in setting the targets while ensuring targets are realistic for regions;*

- iii) “Be based on what is achievable for the region, taking into account existing conditions, exogenous factors, and financial constraints. For purposes of this subclause, ‘existing conditions’ includes, but is not limited to, existing resources, the built environment, and access to modes of travel outside of single-occupant passenger vehicles.”

This use of “existing conditions” may unintentionally limit CARB’s ability to offer forward-looking targets and address anticipated changes. *Going forward, the author may wish to consider instead having the targets consider existing conditions, exogenous factors, and financial constraints, to ensure targets are simultaneously grounded in reality while not being overly constrained;*

- iv) Be expressed in any metric deemed appropriate by CARB, "...that does not penalize regions for exogenous factors such as population, economic growth, or cross-border traffic."

While it is appropriate for CARB to tailor GHG emission reduction targets to the unique factors that regions experience, it is not clear how a metric would or would not penalize a region. *Going forward, the author may wish to consider instead having the GHG emission reduction targets consider exogenous factors such as population, economic growth, or cross-border traffic, to make sure those factors are included in how targets are set without necessarily excluding any specific metric from being used.*

Ultimately, setting a GHG emission reduction target for a region is certain to be a contentious, iterative, and consequential process. Many of the specific factors and topics included in SB 1087 are important pieces of what makes a target ambitious yet achievable, and they should remain in the legislation. By providing CARB direction in scope and discretion in implementation, SB 1087 can be more effective in achieving its stated goals without tying CARB's hands. Discussions of whether metrics "penalize a region" or targets "reflect the combined effect" of policies may be best had in the proposed consultative and participatory process with regions, rather than fixed in statute.

- 5) *To 2035 and beyond.* Currently, CARB has set GHG emission reduction targets for MPOs to achieve by 2035. This is worth considering in the context of California's climate goals, as well as in the context of the rest of this bill.

California has statutory GHG emission reduction goals: a 40% reduction below 1990 levels (per SB 32 – Pavley, Chapter 249, Statutes of 2016) and an 85% reduction below 1990 levels and accompanying carbon neutrality no later than 2045 (per AB 1279 – Muratsuchi, Chapter 337, Statutes of 2022). Even more recently, California's flagship climate program (now called Cap-and-Invest) was reauthorized last year (per AB 1207 – Irwin, Chapter 117, Statutes of 2025) until 2045. The Scoping Plan, updated every 5 years, represents CARB's roadmap for achieving those goals using the tools available to the state. As part of the last update (released in 2022), CARB called for a 25% statewide VMT reduction by 2030 as part of the efforts necessary to reach the SB 32 target. Although there was no 2045 VMT reduction target, CARB is clearly already using VMT reduction as one of many policy levers to consider pulling to achieve our climate goals. Nevertheless, given the SB 375 targets only go out to 2035, any VMT reductions between 2035 and 2045 would need to be effectuated through policies other than SCS/APS implementation.

Within the context of this bill, there are several timing elements whose interactions are worth considering. First, the bill proposes moving the current four-year SCS cycle to an eight-year cycle. Given the resources that go into both SCSs and plans to meet regional housing needs, this may be a sensible change. Secondly, the bill gives MPOs some discretion as to when they choose to switch to the eight-year cycle—it can be either of the next two regularly scheduled SCS updates. This will enable them to best synchronize the SCS with other plans. Finally, the bill provides direction for CARB as to how the 2035 targets should be set, but goes no further.

As a result of these three factors, MPOs under SB 1087 may only release a single SCS update between the passage of this bill and the 2035 targets, with no further SCS requirements. ***Given the effort undertaken to improve the program and the value of SB 375 in reducing VMT to help the state reach its climate goals, the committee may wish to amend SB 1087 to direct CARB to set additional regional GHG emission reduction targets for 2045.***

- 6) *Growing smarter.* When an MPO releases an SCS, it is intended to guide where and how a region decides to grow its housing and transportation systems in a GHG emissions-conscious way for years to come. That guidance looks significantly different for each of California's 18 MPOs, and as a result, the statutory direction to MPOs as to what must be included is relatively scant. Per Government Code section 65080, an SCS must identify the location of uses, residential densities, building intensities; areas sufficient to house the projected population; areas sufficient to house an eight-year projection of additional necessary housing; and a transportation network to service the transportation needs of the region. It must also gather and consider the best available science on resource areas and farmland, consider housing goals, set forth a forecasted development pattern to reduce GHGs, and allow the region to comply with the federal Clean Air Act.

An SCS is not the only document that guides where and how new growth and development occurs in the state, and there may be lessons to be learned from other such efforts. Several state-level governmental entities already use maps to help guide growth (such as Site Check from the Governor's Office of Land-Use and Climate Innovation). Even some MPOs today (such as SACOG, SANDAG, and Fresno COG) use maps to help screen where future housing growth should be more or less constrained, in consideration of other factors. This best practice may be an effective approach for other MPOs to consider to help the SCS be an even more functional document and helping prioritize growth that avoids conflict with sensitive or otherwise high-risk lands.

Such changes to MPOs' directives are beyond the purview of this committee. However, *going forward the author may wish to consider the value of directing MPOs to include maps that may be used for land-use screening in future SCSs. Said maps could potentially reflect existing data, including but not limited to Fire Hazard Severity Zones, Federal Emergency Management Agency flood zones, sea level rise projections, U.S. Fish and Wildlife Service Critical Habitat, National Wetlands Inventory, Areas of Conservation Emphasis identified by the Department of Fish and Wildlife, certain farmland identified in the Department of Conservation's Farmland Mapping & Monitoring Program, or easements enrolled in the Williamson Act.* By considering lands like these in the consolidated SCS process, this could help simplify the process for future housing and transportation system growth to avoid undesired locales.

- 7) *Checking in.* To be clear, extending the timeline for SCS plans from every four years to every eight years is not without its consequences, even if it may ultimately be a net benefit. If stakeholders only get an opportunity once every eight years to provide input and oversight, regions may end up far off base in implementation with little transparency for how they got there or how they will course correct.

The bill attempts to address this potential issue by requiring an "SCS implementation report" within the RTP at the four-year mark in the eight-year SCS cycle. This represents a laudable attempt to provide transparency and ensure progress, but the bill lacks detail. Fortunately, updating stakeholders on SCS implementation is not a new concept. SACOG, pursuant to AB 350 (Aguiar-Curry – Chapter 648, Statutes of 2023), is required to submit a report on the "regional implementation of its most recently adopted SCS using indicators developed and vetted with stakeholders." That bill further stipulated the contents of that report, including a comparison between a priori housing development assumptions and actual production activity, a discussion of factors that have influenced progress, and the construction and funding progress for certain transportation projects. Prior to that, AB 423 (Gloria, Chapter 744, Statutes of 2019) required SANDAG to publish a biennial implementation report as well. Although less prescriptive than AB 350's requirements upon SACOG, AB 423 did direct SANDAG to discuss the status of implementation, as well as any successes or barriers that had occurred since the last report.

Going forward, the author is encouraged to consider specific elements of existing implementation reports, as well as other useful information, that could be added to ensure implementation reports are held to a consistent, useful

standard across MPOs.

A common criticism of existing SCS documents is that many of the most GHG emissions-reducing projects are slated for the later years of the plan resulting in ongoing short- and medium-term development that does little to achieve GHG targets. By quantitatively assessing progress along the way towards target dates, there could potentially be opportunities to incentivize regions and developers towards meeting interim targets in line with implementation reports.

- 8) *CEQA at the planning level.* Another way that SB 1087 changes the existing process around SCS adoption is exempting the preparation and adoption of RTPs, SCSs, and APSs from CEQA if the planning agency conducted “enhanced public outreach”. According to information provided by the sponsors to the committee, the Programmatic Environmental Impact Report (PEIR) for an SCS can cost in the range of \$4-5 million and represent a significant investment of limited time and funds. The rationale is that by exempting plan preparation and adoption from CEQA, those resources can be better put towards implementation and development.

So what is lost by exempting RTP/SCS/APS plan preparation and adoption from CEQA? It is not entirely clear. On one hand, affected communities lose the opportunity to challenge the holistic, region-level assumptions and projections that underpin the SCS, for better or worse. On the other hand, the projects themselves are not significantly less likely to go through a full CEQA process because of SB 1087, as the language is clear to point out (“This section shall not be interpreted as exempting from [CEQA] a project that would implement actions taken pursuant to a plan or strategy adopted pursuant to this chapter.”).

Facilitating the CEQA process for meritorious projects that advance the SCS has been a feature of the process since its inception but has found middling success. The original SB 375 created a pathway for certain projects to be exempt from CEQA; so-called “Transit Priority Projects” could, if they met certain specified criteria, be deemed a “Sustainable Communities Project” and be exempt from CEQA. Even for projects that are not deemed Transit Priority Projects, other criteria can still be met that would allow a project to do a “Sustainable Communities Environmental Assessment” which is a limited EIR that does not need to include certain impacts. In practice, these exemptions appear to be very rarely used since their inception. Moreover, in theory a programmatic EIR (such as the one prepared for the SCS plan) should enable projects to tier off of it, needing to only prepare an abridged “focused EIR” which only contemplates changes not considered in the PEIR. Again however,

in practice multiple MPOs report no knowledge of any project seeking to tier off of an SCS's PEIR.

Indeed, because of other recent legislation, many of the same types of projects likely to be described in an SCS (such as infill housing and certain transportation projects) are broadly exempt from CEQA already. In fact, SB 71 (Wiener, Chapter 742, Statutes of 2025) specifically only exempts transit projects that are anticipated to cost over \$100 million from CEQA if (among other things) they were included in an SCS (or RTP, general plan, or other plan) that underwent a PEIR. Thus, some portion of the resources saved by exempting the SCS itself from doing a PEIR may in turn be counterbalanced by formerly SB 71-eligible transit projects needing to do a full EIR.

There is no doubt that preparing a PEIR for an SCS is a substantial undertaking. However, for some projects (especially those categorically exempted from CEQA through other processes), an SCS PEIR may be the only formal environmental review that contemplates them. Moreover, it is one of the only times for community members to, through CEQA, influence larger-scale, regionwide planning and growth assumptions. Particularly given the shift to an eight-year cycle, entirely losing this opportunity to holistically assess a region's SCS is not a decision that should be made lightly.

- 9) *What does enhanced public outreach get you?* The alternative envisioned by the bill to CEQA for these substantial documents (the latest SCAG SCS PEIR was roughly a thousand pages)—enhanced public outreach—is open-ended and ambiguous. It *may* include hosting workshops, developing online tools, convening advisory panels, conducting target outreach, or employing public survey tools. There are no requirements in the definition that any of those outreach activities be responded to or included in any way. This, in no uncertain terms, pales in comparison to the thoroughness of consideration and accountability that CEQA provides.

As implemented today, MPOs conduct varying levels of outreach and public engagement as part of their SCS preparation. According to information provided to the committee by MTC-ABAG:

“...Plan Bay Area 2050+ adopted a hybrid approach to public involvement, keeping with the commitment to equitably reach out to communities rather than requiring residents to reach out to MTC-ABAG. This allowed residents to inform the plan development process in person while also relying on the newly established best practice of offering more widely accessible virtual engagement opportunities.

To that end, Plan Bay Area 2050+ engagement offered ample opportunity for public and partner involvement, both online and in person. To date, overall engagement for the plan between 2023 and 2025 yielded over 15,300 comments, over 40,500 data points and the active participation of over 17,300 residents from across the region. This accomplishment was made possible in large part with the help of MTC’s growing partnership network of community-based organizations (CBOs).”

While laudable, the text of SB 1087 certainly does not ensure that all MPOs would conduct such an exemplary level of outreach and engagement to comply with the law. And furthermore, it should be noted that even with MTC-ABAG’s reported outreach, the affected communities’ members did not have the legal basis that CEQA would provide to influence and potentially challenge the SCS that was ultimately adopted. While MPOs should ideally strive towards the most meaningful engagement of community members possible, such efforts should be done on their own merits and to comply with other applicable requirements, not as a substitute for CEQA.

Given the resources devoted to completing a full EIR for an SCS/APS, the apparent lack of tiering being used to accelerate project implementation, and the applicability of CEQA for many of the projects that are included within an SCS/APS, the author and committee may wish consider simply exempting the preparation of the documents from CEQA, rather than making the exemption contingent on “enhanced public outreach”.

- 10) *Minor and technical amendments.* As SB 1087 is a large and technical bill, opportunities for clarifications and improvements abound. ***The author and committee may wish to consider:***
- a) ***Moving the proposed coordination between Caltrans and MPOs regarding projects in the State Highway Operation and Protection Program (SHOPP) from the Transportation Asset Management Plan (TAMP) program’s code section to that of the SHOPP itself; and***
 - b) ***Restoring “project deliverability” from the criteria listed in Streets and Highway Code sec. 2394, which the author did not intend to delete.***
- 11) *Committee amendments.* ***Staff recommends the committee adopt the bolded amendments contained in comments 2, 5, 9, and 10.***

DOUBLE REFERRAL:

If this measure is approved by the Senate Environmental Quality Committee, the do pass motion must include the action to re-refer the bill to the Senate Transportation Committee.

Related/Prior Legislation

AB 2059 (Wilson, 2026) would cap the maximum cost impact of VMT mitigation for certain projects under CEQA. AB 2059 is currently in the Assembly Natural Resources Committee.

SB 670 (Allen, 2023) would have required CARB in consultation with the Governor's Office of Planning and Research (OPR) and Caltrans, to develop a methodology for assessing and spatially representing VMT and develop maps to display average VMT per capita in the state at the local, regional, and statewide level. SB 670 was held on suspense in the Senate Appropriations Committee.

SB 261 (Allen, 2021) would have tasked CARB with devising new GHG emission reduction targets for the automobile and light truck sector—as well as adding VMT reduction targets—to the requirements for SCCS plans as prepared by the state's MPOs. SB 261 died in the Senate Transportation committee.

SB 475 (Cortese, 2021) would have made numerous changes to the provisions of SB 375, including but not limited to: requiring CARB to update SCS guidelines in coordination with specified agencies; tasking CARB with appointing a State-Regional Collaborative for Climate, Equity, and Resilience, with membership as specified; requiring CARB to update short- and long-term GHG emission reduction goals, as specified; requiring CEC to set regional building decarbonization targets; and eliminating the APS compliance option. SB 475 died in the Senate Transportation committee.

AB 1147 (Friedman, 2021) made numerous substantive changes to the required elements of MPOs' RTPs to ensure effective implementation of SCSs and APSs, as specified. This bill also required the OPR to develop a guidance document to provide best practices for establishing "15-minute communities," as defined, and required Caltrans to develop a bicycle highway pilot program, as specified. AB 1147 was vetoed by Governor Newsom.

SOURCE: Metropolitan Transportation Commission & Association of Bay Area Governments
Sacramento Area Council of Governments
San Diego Association of Governments
Southern California Association of Governments

SUPPORT:

Association of Bay Area Governments
Cal Asian Pacific Islander Chamber of Commerce
California Asian Pacific Chamber of Commerce
City of Elk Grove
City of Sacramento
Councilmember Alice Dowdin Calvillo
Placer County Transportation Planning Agency
Sacramento Area Council of Governments
Sacramento Metropolitan Air Quality Management District
Sacramento; County of
San Diego Association of Governments
South Bay Cities Council of Governments
Southern California Association of Governments
Valley Vision
Valley Vision, INC.

OPPOSITION:

California Building Industry Association
Coalition for Clean Air
Equitable Land Use Alliance (ELUA)
Families and Homes San Jose

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