

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) Establishes the California Transportation Commission (CTC) and vests it with various responsibilities, including programming and allocating funds for the construction of highway, passenger rail, transit, and active transportation improvements through various transportation programs.
- 3) Requires CARB to determine the 1990 statewide GHG emissions level, and achieve that same level by 2020 (AB 32, Nunez), and achieve a 40% reduction from that level by 2030 (SB 32, Pavley).
- 4) Requires transportation planning agencies to prepare and adopt RTPs that, with specifications, achieve a coordinated and balanced regional transportation system.
- 5) Requires, as a part of the RTP a SCS, as specified, to be prepared by each MPO, to identify transportation, housing, and land use measures and policies that will reduce GHG emissions.
- 6) Requires CTC to develop and publish guidelines for the development of RTP.
- 7) Establishes a process for, and requires, CARB to provide MPOs with GHG emissions reductions targets that must be included in their SCS.
- 8) Allows, if 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.
- 9) Declares that neither a 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.
- 10) Requires CARB to report to the Legislature every four years on MPOs' progress towards meeting their GHG emission reduction targets in their RTP/SCS, including changes to emissions, metrics that support the strategies being used, a discussion of best practices, and an identification of challenges.

- 11) Requires the California Department of Transportation (Caltrans), based on the Transportation Asset Management plan, to prepare a State Highway Operation and Protection program (SHOPP) for the expenditure of transportation funds for major capital improvements that are necessary to preserve and protect the state highway system. Limits projects to improvements relative to the maintenance, safety, operation, and rehabilitation of state highways and bridges that do not add a new traffic lane to the system.
- 12) Enacts the Road Repair and Accountability Act of 2017, SB 1 (Beall, Chapter 5, Statutes of 2017), which provides roughly \$5.2 billion annually to fund the state's highways, local streets and roads, public transportation, and active transportation programs. SB 1 created new transportation competitive programs, to be allocated by CTC, including:
 - a) Trade Corridor Enhancement Program (TCEP), funded at \$300 million annually, for infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network, and along other corridors that have a high volume of freight movement.
 - b) Solutions for Congested Corridors (SCCP), funded at \$250 million annually, for projects that implement specific transportation performance improvements and are part of a comprehensive corridor plan, by providing more transportation choices while preserving the character of local communities and creating opportunities for neighborhood enhancement.
 - c) Local Planning Grants, funded at \$25 million annually, to encourage local and regional planning that furthers state goals, including, but not limited to, the goals and best practices cited in the regional transportation guidelines.

This bill:*RTP/SCS*

- 1) Requires CTC to collaborate with CARB in developing RTP/SCS guidelines to prescribe:
 - a) Acceptable technical methodologies that MPOs and regional transportation planning agencies (RTPA)s may employ to estimate the emissions of GHGs; and,
 - b) The required contents of SCSs implementation reports as required by the bill.

- 2) Requires, commencing with the first or second RTP prepared after January 1, 2027, MPOs to submit an SCS (or APS) every eight years, rather than every four.
- 3) Requires MPOs to 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.
- 4) Requires MPOs to submit an SCS implementation report, consistent with CTC guidelines, alongside any RTP that does not include a new SCS.

Regional Targets

- 5) Requires CARB to 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 and 2045.
- 6) Requires CARB to appoint a Regional Targets Advisory Committee (RTAC), which is directed to recommend:
 - a) Factors to be considered and methodologies to be used for setting GHG emission reduction targets; and,
 - b) How certain considerations, as specified, should be balanced in setting GHG emission reduction targets.
- 7) Requires RTAC to include practitioners and technical and policy experts.
- 8) Requires CARB to consider the report from RTAC before setting GHG emission reduction targets.
- 9) Requires the targets sent by CARB to do the following:
 - a) Reflect the combined effect of policies, regulations, and investment by local public agencies, as specified, state and federal governments to improve fleet efficiency and reduce vehicle miles travelled (VMT); and,
 - b) Be based on what is achievable for the region, taking into account existing conditions, as defined, and financial constraints.
- 10) Before updating the targets, requires CARB to:
 - a) Exchange technical information with specified state, regional, and local entities and engage in a consultative process.
 - b) Release a draft target for public comment.
 - c) Publish its methodology and assumptions no fewer than 60 days before the release of a draft target.

- d) Host at least two public workshops.
 - e) Hold a public hearing within the applicable region.
 - f) Adopt the final targets and any changes in a public hearing.
- 11) Authorizes CARB to 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.

Review of RTP/SCS

- 12) Prior to initiation of a public participation process, requires CARB to receive and review from MPOs a description of the technical methodology the MPO intends to use to estimate GHG emissions of the SCS (or APS).
- 13) Authorizes CARB to object to the methodology. Requires CARB's review of the methodology to be completed within 30 days and is limited to whether the methodology aligns with the most recently adopted CTC guidelines.
- 14) Requires CARB, after submission of an SCS (or APS), and a review of the quantification of reductions of emissions of GHGs strategy, to 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.
- 15) Requires CARB to determine, within 60 days of submission of the strategy, if the strategy, if implemented:
- a) Would achieve the targets.
 - b) Would achieve the targets, but with minor non-substantive corrections.
 - c) Would not achieve the targets. Requires CARB to disclose in writing the specific, material deficiencies demonstrating why the strategy would not achieve the targets.
- 16) Declares that if CARB does complete this work in the allotted time, the strategy will be deemed approved for implementation and funding alignment purposes.

California Environmental Quality Act (CEQA)

- 17) Exempts from CEQA the preparation and adoption of RTPs, SCSs, and APSs.
- 18) Declares that the bill does not exempt a project from CEQA that would implement RTP/SCS or APS.

Transportation Programs

- 19) Requires Caltrans to coordinate with RTPAs and MPOs to ensure that regionally significant projects, as defined, selected for SHOPP, align with the timing, phasing, and scope of projects in the RTP/SCS.
- 20) Adds the goals of the RTP/SCS to Caltrans' consideration for the Local Planning Grant program.
- 21) Allows projects included in an APS, instead of only projects in an approved RTP/SCS, to be eligible for funding from the TCEP and SCCP programs.
- 22) Adds "support the implementation of an RTP," to the required elements for a project to receive SCCP funding.
- 23) Eliminates the SCCP requirement that project nominations include a comprehensive corridor plan.
- 24) Requires SCCP project nominations to be consistent with the phasing, timing, and project scope of the adopted RTP.
- 25) Makes technical and clarifying changes, including removes outdated provisions regarding specific RTP/SCS submissions.

BACKGROUND

- 1) *Transportation and climate change.* California's transportation network consists of streets, highways, railways, bicycle routes, and pedestrian pathways. This network provides people and businesses the ability to access destinations and move goods and services throughout the state. Construction, operations, and maintenance responsibilities are shared amongst state, regional, tribal and local governments. Funding for these activities comes from federal, state, and local taxes, fees and assessments, private investments and tribal investments. This collaborative effort results in a well-integrated transportation network that provides mobility for 40 million people, while helping California sustain its position as the world's fourth largest economy. Currently, roughly \$35 billion (federal, state, and local funds combined) is spent annually in California on building and maintaining the transportation network. Additionally, the federal Infrastructure Investment and Jobs Act (IIJA, P.L. 117- 58), was expected to provide California with approximately \$40 billion over five years.

Emissions from the transportation sector, the state's largest source of GHGs, are still on the rise despite statewide GHG emission reduction efforts and increasingly ambitious targets. According to CARB's GHG emission inventory, the transportation sector emissions have grown to roughly over 40% of California's total. A 2018 Legislative Analyst's Office report found that roughly 90% of the transportation sector's emissions were from on-road sources – 69% passenger vehicles and 22% heavy-duty vehicles. Within the transportation sector, measures to reduce GHG emissions include requiring the use of low carbon fuels, cleaner vehicles, and strategies to promote sustainable communities, and improved transportation choices that reduce growth in the number of VMT.

ARB's 2022 Scoping Plan scenario for achieving 85% GHG emission reductions by 2045 calls for a 25% reduction in VMT by 2030 and a 30% reduction in VMT by 2045. Mode shift – getting people out of their cars and onto public transit and active transportation – is an important component of success. For example, achieving these VMT targets through shifting to transit means California would need a 5 to 10 times ridership increase from pre-COVID levels by 2045.

- 2) *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 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 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. 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. CTC develops guidelines that govern the content and requirements for the RTP so that it conforms with both federal and state law. The RTP Guidelines incorporate climate requirements as well, 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.

- 3) *Sustainable Communities Strategies (SCS)s*. 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 CARB 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. To date, no MPO has had to prepare an APS.

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.

- 4) *CARB target setting Round 3*. In the first update to the SB 375 targets originally set in 2010, CARB 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 CARB 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%.

CARB is required to update the targets every eight years, which means Round 3 must be completed by the end of 2026. CARB kicked off their process to update the targets in 2024, by requesting recommended targets from the MPOs. Since then, CARB has exchanged numerous back and forth correspondence with the MPOs and conducted a public workshop. Specifically, the MPOs are requesting that CARB retain the current targets, stating, “with 2035 rapidly approaching, achieving the current targets will be a heavy lift. The next cycle of SCSs will have a time horizon of approximately five years to reach a 2035 target, despite the fact that long-range regional plans are focused several decades into the future as required by federal and state law.

“Furthermore, CARB proposes relying on unrealistic scenarios in the Scoping Plan which could increase the target by up to nine points. Not only is the time horizon too short to make such a drastic change, but it is applying a financially-unconstrained, top-down goal to a bottom-up, financially-constrained planning process.”

- 5) *How are regions doing?* Since the passage of SB 375, numerous reports have been issued reporting on the progress of the regions and highlighting the challenges to success. Specifically, 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 and 2022 reports found that GHG emission reductions under SB 375 are not being achieved and that VMT is not declining despite every MPO preparing an SCS as required. It is noted that SCS plans are not being implemented as envisioned and/or are not yielding the expected results. Such factors as adequate funding are a major reason. According to CARB, “implementation of SCS plans is necessary to achieve the State’s climate goals.”

Overall, CARB found that, “Unfortunately, since the first report, most trends demonstrate limited or no progress in meeting the targets through 2019. While some progress on VMT reduction has been observed within the largest MPO regions where most Californians live, it has not been enough. There is an urgent need to build on the good work that has produced some positive change in these regions to reverse the overall trajectory. Many trends moved in the wrong direction, away from advancing climate goals and showing worsening inequality.”

In addition to the SB 150 progress updates, in 2019, AB 285 (Friedman, Chapter 605, Statutes of 2019) was signed into law. It called for a California Transportation Assessment Report, 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, including “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 the 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) *More targets, less plans.* California has statutory GHG emission reduction goals of 40% reduction below 1990 levels (SB 32, Pavley, Chapter 249,

Statutes of 2016) and 85% reduction below 1990 levels and accompanying carbon neutrality no later than 2045 (AB 1279, Muratsuchi, Chapter 337, Statutes of 2022). Additionally, last year California's climate program, now called Cap-and-Invest, was reauthorized, (AB 1207 – Irwin, Chapter 117, Statutes of 2025) through 2045.

However, current law only authorizes CARB to set GHG emission reduction targets for MPOs to achieve by 2035. SB 1087 would extend this authority to 2045 to align with state climate goals.

The bill would also reconstitute RTAC that was part of the original target setting after the passage of SB 375. Specifically, the bill requires CARB to appoint an 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.

SB 1087 also greatly expands the base of what is measured in the targets. Current law requires CARB to set targets for automobiles and light trucks. SB 1087 requires CARB to set targets for all on-road transportation sectors. This small change has huge implications for the scope of the RTP/SCS. 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. According to the MPOs, inclusion of the freight sector will allow for a more holistic approach to the plan. Although this will provide a more-complete picture of GHG emissions from the complete transportation sector, it moves away from a more-targeted focus on the types of transportation and housing-based land-use decisions SCSs have traditionally centered around.

SB 1087 also sets some parameters for CARB for GHG emission reduction targets. Specifically, the targets must 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 VMT. 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.

Additionally, the targets must be based on what is achievable for the region, taking into account existing conditions, exogenous factors, and financial constraints. Existing conditions include, but are not limited to, existing resources, the built environment, and access to modes of travel outside of

single-occupant passenger vehicles. It is unclear how use of existing conditions may impact a long-term target, such as 2045.

The bill also authorizes the targets to 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, meaning international borders. While it is appropriate for CARB to tailor GHG emission reduction targets to the unique factors that regions experience, it is unclear how a metric would or would not penalize a region.

Finally, the bill lays out an extensive administrative process for updating the targets, including exchanging technical information with other state departments, such as CTC, releasing a draft for public comments, publishing its methodology and assumptions, holding at least two public workshops, holding a public hearing in the affected region, and adopting the final targets at a public hearing of the board.

As the targets are extended, SB 1087 would also align the RTP/SCS timing with other required regional plans, such as the Regional Housing Needs Assessment (RHNA). According to the MPOs, development of an RTP/SCS, which is currently required every 4 years, costs millions of dollars and is almost never ending. As one plan is completed, work must already begin on the update. For example, according to the Sacramento Area Council of Governments (SACOG) their most recent RTP/SCS took three years to complete and cost \$12 million. The bill would move the current four-year SCS cycle to an eight-year cycle. Due to federal law, the MPOs would still be required to develop on RTP for submission to CTC for the in between 4- year cycle, however this plan is much less cumbersome.

To implement this change, SB 1087 gives MPOs some discretion as to when they choose to switch to the eight-year cycle, which can be either of the next two regularly scheduled SCS updates. This will enable MPOs to best synchronize the RTP/SCS with other plans.

- 3) *SB 1087 would add guardrails to CARB's RTP/SCS review.* In addition to shifting to an eight-year cycle for SCS, the bill attempts to streamline the RTP/SCS process overall and shift focus to implementation. Recent amendments to the bill retain CARB as the entity to develop, review, and assess the technical GHG emission reduction methodologies. However, the state's MPOs almost universally report frustrations with the existing processes.

SB 1087 introduces some new mechanisms to facilitate the process. Most

notably, this bill would introduce a shot clock to CARB'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 CARB failing to comply with these timelines is that the plan is immediately deemed approved for implementation and funding alignment purposes.

- 4) *Checking in on the off years.* As mentioned, SB 1087 extends the timeline for SCS plans from every four years to every eight years. According to the sponsors, this will help shift MPO work away from developing the plans to implementing them. However, stakeholders and the public would only get an opportunity once every eight years to provide input and oversight.

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 would provide transparency and report on progress, but the provisions of the bill lack details. 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 prior 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.

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.

- 5) *CEQA for plans.* 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. According to the sponsors, the Programmatic Environmental Impact Report (PEIR) for an RTP/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.

It is unclear what is lost by exempting RTP/SCS/APS plan preparation and adoption from CEQA. On one hand, affected communities lose the opportunity to challenge the holistic, region-level assumptions and projections that underpin the RTP/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. In fact, the bill 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.”

- 6) *Implementation is a priority.* As noted by the author, the streamlining of the RTP/SCS contained in SB 1087 will free up regions to deliver projects. Both the AB 285 report and the SB 150 reports focused on the lack of implementation as a serious barrier to meeting the state’s climate goals. To that end, SB 1087 contains numerous changes to existing transportation programs to better align project funding to help implement the plans.

First, the bill adds language to the requirements for the development of SHOPP. SHOPP is a four-year program of projects planned and developed by Caltrans that collectively improves the condition, operation, and sustainability of state highway system and associated transportation infrastructure. SHOPP is a “fix-it-first” program and projects funded by SHOPP are limited to capital improvements that do not add new through highway lanes. SHOPP is also responsible for funding projects that address emergency repair needs. The SHOPP portfolio of projects is updated every two years, carrying forward the last two years of projects programmed in the preceding SHOPP and programming in two new years of projects based on the State Highway System Management Plan (SHSMP) and resulting district plans.

Although SHOPP is based on district plans, Caltrans’ priorities of what projects to program and when may not match the plans of the regions. To better align projects decisions, SB 1087 requires Caltrans to coordinate with MPOs and RTPAs to ensure that regionally significant projects selected for SHOPP align with the timing, phasing, and scope of projects included in the RTP/SCSs. Regionally significant is defined in federal law as “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.”

Currently, CTC requires, through RTP guidelines, that all regionally significant projects be included in the applicable Federal Transportation Improvement Program (FTIP), which is a federally mandated, four-year program of all projects that will receive federal funding or are subject to a federally required action. Each project in FTIP must be consistent with the approved RTP/SCS.

This would include any regionally significant projects funded by SHOPP. Even though these projects must be consistent with existing plans, requiring Caltrans to coordinate with affected regions and focus on matching the timing, phasing, and scope could serve to better align state programs with the region's plan.

- 7) *Streamline transportation programs to help implement the SCS.* SB 1087 also includes similar language in the Solution for Congested Corridors program (SCCP). SCCP is a competitive grant program created by the Road Repair and Accountability Act of 2017, SB 1 (Beall, Chapter 5, Statutes of 2017), which provides roughly \$5.2 billion annually to fund the state's highways, local streets and roads, public transportation, and active transportation programs.

Specifically, SCCP, funded at \$250 million annually, is for "projects that make specific performance improvements and are part of a comprehensive corridor plan designed to reduce congestion in highly traveled corridors by providing more transportation choices for residents, commuters, and visitors to the area of the corridor while preserving the character of the local community and creating opportunities for neighborhood enhancement projects."

SCCP is focused on projects that help mitigate increases in VMT, GHG emissions, and air pollution. Eligible projects include improvements to highways, local street and roads, public transit, facilities, bicycle and pedestrian facilities, and restoration or preservation work that protect critical habitat and open space. The program limits any highway capacity increasing projects to managed lanes, including High-Occupancy Vehicle (HOV) lanes, and other improvements for highway safety, such as auxiliary lanes, truck climbing lanes, and dedicated bicycle lanes. Caltrans can also apply to SCCP, however project awards to Caltrans are limited to 50%. SCCP encourages Caltrans to work with regions to submit combined applications.

Current law requires that all projects nominated for SCCP must be included in a comprehensive multimodal corridor plan, developed specifically for this program. The purpose of corridor plan is to encourage transportation agencies to consider their congested corridors holistically and to develop innovative solutions that provide the public with choices and enhance mobility.

SB 1087 makes numerous changes to SCCP, including requiring project selections to support the implementation of an RTP/SCS, and like SHOPP, be consistent with the phasing, timing, and project scope included in RTP. It also gives priority for funding to near-term projects in the adopted RTP, specifically ones that will open before the next CARB regional target.

However, the most major change to SCCP, SB 1087 proposes to eliminate the requirement for a corridor plan. According to the sponsors, corridor plans are unnecessary and create challenges for developing and implementing RTP/SCS because regions already do corridor-level planning, priority setting, and coordination across jurisdictions as part of developing RTP/SCS. Additionally, the corridor plans are not required to be financially constrained or consistent with the adopted RTP/SCS, which creates a risk that they could be used to advance projects or expectations that conflict with a region's long-range plan. This can create confusion, misaligned expectations, and pressure on regions to accommodate projects that have not been vetted through the RTP/SCS process or shown to be feasible within realistic funding assumptions.

It is unclear how the elimination of the corridor plans will affect project development and selection for SCCP. At a minimum, as Caltrans is also required to submit projects included in a corridor plan, it requires the department to look holistically at the project area, not only the state highway project. Requiring projects to support the implementation of the RTP/SCS may help achieve similar goals.

- 8) *Don't punish regions for an APS.* In addition to SCCP, SB 1087 makes changes to TCEP. TCEP, funded at \$400 million annually, funds infrastructure improvements on the state's designated trade corridors, the primary freight network, and along other corridors that have a high volume of freight movement. Of the new programs created by SB 1, SCCP and TCEP, require all project nominations within the boundaries of an MPO to be included in an adopted RTP/SCS approved by CARB. This means that if an MPO does not have a CARB-approved RTP/SCS, and instead has to prepare an APS, the region would not be eligible to apply for funding from either program.

Since the passage of SB 1, MPOs have been concerned about this requirement, stating that if a region must prepare an APS, the loss of access to hundreds of millions of dollars of critical funding would help ensure that the region could not achieve the GHG emission reduction targets. However, the requirement was included in these SB 1 programs to prevent regions from moving forward with certain projects, specifically highway projects, that may increase GHG emissions while they are working to achieve the targets. As mentioned, to date, no MPO has had to prepare an APS.

SB 1087 would allow projects to be nominated from an MPO area with an APS. Additionally, it requires that each project must reduce GHG emissions. This is a laudable requirement, but raises an implementation question. Who would determine and verify the project being nominated reduces GHG emissions?

Implementing this requirement would fall to CTC. Currently, as part of their guidelines, CTC requires TCEP project applicants to include a narrative of how the project would impact GHG emissions. However, TCEP can fund early stages of a project including plans, specifications, and estimates; right-of-way; and construction. It is unclear when an EIR or a separate GHG emissions reduction analysis would be needed to confirm this requirement.

SCCP already requires project nominations to specifically address how the proposed project will reduce GHG emissions and criteria pollutants, and advance the State's air quality and climate goals. Additionally, to qualify for SCCP funding projects must have completed their environmental reviews before funds can be allocated and focuses funding on the construction phase of projects.

- 9) *Concerns remain, talks continue.* The sponsors of SB 1087, the big 4 MPOs, have been convening a large group of affected stakeholders since last year to discuss the issues with SB 375 and how the plans and processes can be reformed. The author and sponsors are committed to continuing that work. To that end, a coalition of climate, environmental justice, and transit and active transportation advocates highlighted a number of remaining concerns and suggested changes to strengthen SCSs, including:
- **CTC adopting SCS guidelines and technical methodologies** -- CTC does not have a primary mandate for meeting climate targets, nor is the CTC staffed with adequate personnel that have expertise in emissions reduction to take this role on.
 - **Automatic approval of SCSs not reviewed and approved in 60 days** -- The automatic approval could create a path for approval of SCSs with zero oversight.
 - **CEQA exemption of RTP/SCSs and APSs** -- With so many local plans, policies, and funding programs reliant on the regional plan's findings, eliminating programmatic review of the regional plan would eliminate any possibility of tiering off the plan as an incentive for local consistency.
 - **Allowing projects within an MPO that has adopted an APS to be eligible for TCEP and SCCP funding** -- Limiting eligibility to GHG-reducing projects is not a high-enough bar, because traffic analysis and vehicle emissions assumptions for highway expansion projects are routinely manipulated to support false claims of GHG reduction. The coalition recommends that project eligibility for MPOs with an adopted APS be narrowed to prohibit general purpose and managed lane highway expansion.

- **SCS implementation reports should be more frequent and have required elements** -- The report should be produced biennially and include specific indicators for transportation projects and land-use development alignment with projections in the SCS. Progress reports should include documentation, presented publicly, that certifies that implementation is on track toward the targets based on indicator reporting.
- **Inclusion of “all on-road transportation sectors” in the target for each region** -- The intent is to include heavy-duty trucks and electrification of vehicles (including transit) in the target. There should be clear separation of the targets and tracking of increases to freight vehicle travel, passenger vehicle travel, and ZEV contributions.
- **Ensure that SHOPP funding is prioritized for projects that align with the timing, phasing, and scope of projects included in applicable RTP** -- These terms for determining consistency with the plans warrant greater definition.
- **Inclusion of land-use screens** -- Require SCSs to include land-use screens that identify high-risk and high-impact lands within the region to guide development toward durable locations and away from high risk areas and sensitive natural and working lands.

10) *Double referral.* This bill was approved by the Senate Environmental Quality Committee on April 8, 2026 by a vote of 5-0.

RELATED/PREVIOUS LEGISLATION:

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

AB 6 (Friedman, 2024) – Would have strengthened the authority of CARB over the RTP/SCS submitted by transportation planning agencies. *AB 6 died in the Senate Transportation 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 1217 (Allen, Cortese, 2022) – Would have created the State-Regional Collaborative for Climate, Equity, and Resilience, with the purpose of making recommendations to ARB on how to update the RTP/SCS guidelines in order to

improve the SCS plan approval process, transparency in local and regional government decision making, and alignment with other state climate and equity goals. *SB 1217 died in the Assembly Transportation 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) – Would have 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.*

SB 1363 (Allen, 2020) – Would have required ARB to provide each affected region with GHG emission reduction targets for the passenger vehicle sector for 2045 and 2050, and with VMT traveled reduction targets for 2035, 2045, and 2050, and to release, no later than September 30, 2022, a draft of those targets, as specified. *SB 1363 was held in the Senate Environmental Quality Committee during a Legislative session that saw bill limitations due to COVID-19.*

SB 526 (Allen, 2019) – Would have required ARB to adopt a regulation that requires MPOs to provide any data that ARB determines is necessary to fulfill the requirements of the SB 150 Progress Report, and to determine if the MPO is on track to meet its 2035 GHG emissions reduction target. SB 526 would have also established an interagency working group, to be administered by the SGC and comprised of specified membership, to develop and implement a State Mobility Action Plan for Health Communities. *SB 526 was held in the Senate Appropriations Committee.*

AB 285 (Friedman, Chapter 605, Statutes of 2019) – Updated requirements of CTP to reflect the state's recent environmental legislation and requires SGC to review implementation of CTP.

SB 150 (Allen, Chapter 646, Statutes of 2017) – Required ARB to prepare a report to assess the progress of the state’s 18 MPOs in meeting their regional GHG targets.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, April 15, 2026.)

SUPPORT:

Metropolitan Transportation Commission/Association of Bay Area Governments (MTC/ABAG) (sponsor)
Sacramento Area Council of Governments (SACOG) (sponsor)
San Diego Association of Governments (SANDAG) (sponsor)
Southern California Association of Governments (SCAG) (sponsor)
Cal Asian Pacific Islander Chamber of Commerce
California Asian Pacific Chamber of Commerce
California Association of Councils of Governments
City of Elk Grove
City of Sacramento
Councilmember Alice Dowdin Calvillo, City of Auburn
Councilmember Jill Gayaldo, City of Rocklin
El Dorado County Transportation Commission
Placer County Transportation Planning Agency
Riverside County Transportation Commission
Sacramento Metropolitan Air Quality Management District
Sacramento Metropolitan Chamber of Commerce
Sacramento County
South Bay Cities Council of Governments
Supervisor Brian Veerkamp, County of El Dorado
Valley Vision

CONCERNS:

350 Bay Area Action
Climateplan
Leadership Council for Justice and Accountability

NRDC
Planning and Conservation League
San Diego 350
Streets for All
Transform

OPPOSITION:

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

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