
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1087 (Cabaldon) - Transportation planning: sustainable communities strategies: transportation funding programs

Version: April 9, 2026

Urgency: No

Hearing Date: May 4, 2026

Policy Vote: E.Q. 5 - 0, TRANS. 9 - 1

Mandate: Yes

Consultant: Ashley Ames

Bill Summary: This bill would make numerous changes to existing Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) guidelines and requirements, including how greenhouse gas emissions (GHG) reduction targets are set, the timeline for updating the plans, and how GHG reduction strategies are evaluated. It would also extend GHG reduction targets to 2045 and make changes to certain transportation funding programs to support implementation of the strategies.

Fiscal Impact:

- The California Air Resources Board (CARB) estimates ongoing costs of about \$9.3 million in the first year and \$8.7 million annually thereafter (Cost of Implementation Account [COIA]) to develop guidelines as prescribed by this bill, convene the Regional Targets Advisory Committee (RTAC), update regional GHG reduction targets, conduct stakeholder engagement and public processes, review technical methodologies, review strategies and plans within required timelines, and produce a report to the Legislature, among other things.
- The California Department of Transportation (CalTrans) anticipates ongoing costs in the high millions of dollars annually (State Highway Account [SHA], Road Maintenance & Rehabilitation Account [RMRA], or federal funds) for increased collaboration with regional and state partners to align the State Highway Operation and Protection Program (SHOPP) with regional transportation plans. CalTrans notes that this would go beyond current practices of regional transportation plans incorporating regionally significant SHOPP projects, which could cause changes to the scope and schedule of many SHOPP projects. In addition, CalTrans estimates ongoing costs of approximately \$170,000 annually (SHA, RMRA) for one position to review implementation plans for SCS as required by this bill.

Background: California's transportation network consists of streets, highways, railways, bicycle routes, and pedestrian pathways. Transportation funding 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.

CARB'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.

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.

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.

Proposed Law:

RTP/SCS

1. Require 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. Require, 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. Require 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. Require MPOs to submit an SCS implementation report, consistent with CTC guidelines, alongside any RTP that does not include a new SCS.

Regional Targets

5. Require 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. Require 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. Require RTAC to include practitioners and technical and policy experts.
 8. Require CARB to consider the report from RTAC before setting GHG emission reduction targets.
 9. Require the targets sent by CARB to do the following:
 - c. 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,
 - d. Be based on what is achievable for the region, taking into account existing conditions, as defined, and financial constraints.
 10. Before updating the targets, require CARB to:
 - e. Exchange technical information with specified state, regional, and local entities and engage in a consultative process.
 - f. Release a draft target for public comment.
 - g. Publish its methodology and assumptions no fewer than 60 days before the release of a draft target.
 - h. Host at least two public workshops.
 - i. Hold a public hearing within the applicable region.
 - j. Adopt the final targets and any changes in a public hearing.
 11. Authorize 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, require 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. Authorize CARB to object to the methodology. Require 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. Require 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. Require 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. Declare that if CARB does complete this work in the allotted time, the strategy will be deemed approved for implementation and funding alignment purposes.
CEQA
17. Exempt from CEQA the preparation and adoption of RTPs, SCSs, and APSs.
18. Declare that the bill does not exempt a project from CEQA that would implement RTP/SCS or APS.

Transportation Programs

19. Require 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. Add the goals of the RTP/SCS to Caltrans' consideration for the Local Planning Grant program.
21. Allow 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. Add "support the implementation of an RTP," to the required elements for a project to receive SCCP funding.
23. Eliminate the SCCP requirement that project nominations include a comprehensive corridor plan.
24. Require SCCP project nominations to be consistent with the phasing, timing, and project scope of the adopted RTP.
25. Make technical and clarifying changes, including removes outdated provisions regarding specific RTP/SCS submissions.

Related Legislation:

AB 2059 (Wilson, 2026) would cap the maximum cost impact of VMT mitigation for certain projects under CEQA.

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 this 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 CARB 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 CARB 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 CARB to adopt a regulation that requires MPOs to provide any data that CARB 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 on Suspense in this 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 CARB to prepare a report to assess the progress of the state's 18 MPOs in meeting their regional GHG targets.

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