

SENATE THIRD READING  
SB 695 (Cortese and Caballero)  
As Amended March 26, 2025  
Majority vote

## SUMMARY

Requires the Department of Transportation (Caltrans), by July 1, 2026, and annually thereafter, and in consultation with the California Transportation Commission (CTC) and the California State Transportation Agency (CalSTA), to create a prioritized list of highway projects on the state highway system that are of statewide and regional significance, as defined, to better prepare the state for extreme weather-related events, to be submitted annually to the Legislature.

### Major Provisions

Directs Caltrans to prioritize projects that advance certain cobenefits, with greater priority given to projects that include more than one of the following cobenefits:

- 1) Enhanced safety.
- 2) Efficient goods movement along trade corridors.
- 3) Climate resiliency, including, but not limited to, water storage, access to safe drinking water, and flood mitigation.
- 4) Improvement to electric transmission infrastructure for electrical grid reliability.

## COMMENTS

The State Highway System Management Plan (SHSMP) is a performance-driven and integrated management plan for the State Highway System (SHS) in California. SHS needs, investments, and resulting performance for the ten-year period are presented in the SHSMP. The SHSMP aligns with Caltrans' Strategic Plan.

The SHSMP integrates the maintenance, rehabilitation, and operation of the SHS into a single management plan which implements a number of state and federal asset management requirements with new resources from SB 1 (Beall), Chapter 5, Statutes of 2017. The SHSMP utilizes objective analysis to focus investments on measured condition and performance objectives. The historic asset-based funding approach has been replaced by a performance-driven methodology that provides greater local flexibility to achieve multiple objectives within a single project. The new management methodology allows Caltrans to better integrate multi-modal transportation options into traditional rehabilitation work to provide a cost-effective way to expand mode choice and reduce transportation-related emission.

The 2025 draft SHSMP provides an overview and roadmap of the state's policies, regulations, and implementation strategies to carry out climate adaptation and resiliency projects. Specifically, Caltrans has developed district-level vulnerability assessments to guide analysis of at-risk transportation assets. These district adaptation reports prioritize potentially exposed transportation assets in each Caltrans' district. According to the 2025 draft SHSMP, Caltrans is presently undergoing an update of all the district adaptation reports with an anticipated completion date sometime in 2026.

Caltrans notes in the draft SHSMP, "Climate change is already leading to increased variability in precipitation, rising temperatures, rising sea levels, variability in storm surges and their intensity, and in the frequency and intensity of wildfires. Flooding and erosion can damage or wash out roads; longer periods of intense heat can buckle pavement and railroad tracks; storm surges combined with a rising sea level can inundate highways. Wildfire can directly burn facilities and indirectly cause damage when rain falls on denuded slopes that landslide after a fire. Effects will vary by location and may, in the most extreme cases, require that a facility be relocated or redesigned. Accordingly, Caltrans must consider these types of climate stressors in how highways are planned, designed, built, operated, and maintained, to ensure overall resilience of the transportation system to climate impacts."

*Climate change and transportation infrastructure.* In accordance with the California Action Plan for Transportation Infrastructure (CAPTI), Executive Order (EO) N-19-19, and EO B-30-15 Caltrans must incorporate climate change impacts into state investments.

Caltrans completed a statewide Climate Change Vulnerability Assessment (Assessment) for the state highway system in 2019, and most recently in 2021. This study involves using climate data to refine Caltrans' understanding of potential climate impacts to the state highway system, and coordination with various state and federal agencies and academic institutions to obtain the best available climate data for California. Each of Caltrans' 12 districts developed climate change vulnerability assessment technical and summary reports that include assessment methodologies, findings, potential challenges, and ongoing efforts. Discussions with professionals from various engineering disciplines helped identify how changing climate hazards may affect highways, including their design. This assessment allows Caltrans to begin to understand how climate change may affect state transportation infrastructure and identifies a subset of state highway system assets on which to focus future efforts. Additionally, this enables Caltrans to incorporate climate change assessments into project development and ensure staff and stakeholders are engaged.

The results from the Assessment conclude that California's transportation system is under increasing threat from climate change, with extreme weather events like wildfires, floods, and heat waves causing major disruptions. According to Caltrans 2021 Assessment, California faces over \$1 billion per year in infrastructure damages due to climate disasters.

### **According to the Author**

"SB 695 provides our transportation agencies and the Legislature with the information necessary to make informed decisions about prioritization of projects that move California toward a more climate resilient future.

Specifically, this bill establishes a list of projects of statewide and regional significance that meet specific criteria and provide specific co-benefits of safety and climate resiliency. Through the prioritization of these projects, California will be better prepared to enhance its resilience to climate change, reduce disaster recovery costs, and ensure continued public safety and economic vitality."

### **Arguments in Support**

San Luis Delta-Mendota Water Authority writes, "The Water Authority, working in partnership with the U.S. Bureau of Reclamation, is the lead agency advancing the B.F. Sisk Dam Safety and Reservoir Expansion Project - a project to raise the B.F. Sisk Dam at San Luis Reservoir by an additional 10 feet, increasing the Reservoir's water storage capacity by 130,000 acre-feet, which is the equivalent of supplying 400,000 homes with water for a year. In order to advance the

project, a portion of State Highway Route 152 must be modified, including improving the embankment and grade of a one-mile stretch across Cottonwood Creek, which will address critical seismic safety concerns where the roadway crosses an active earthquake fault. The improvements will also reduce the number of traffic collisions along this heavily traveled segment.

### **Arguments in Opposition**

No opposition on file.

## **FISCAL COMMENTS**

According to the Assembly Committee on Appropriations:

"Creation of the prioritized list will entail significant new analytical and ongoing work of Caltrans, likely at a cost in the mid to high hundreds of thousands of dollars annually (State Highway Account). Caltrans estimates this workload will require two fulltime position, with an ongoing annual cost of \$350,000 (State Highway Account).

Similarly, CalSTA and CTC will each experience costs to consult with Caltrans, though the magnitude of costs to each should be substantially less than Caltrans' costs annually (State Highway Account)."

## **VOTES**

### **SENATE FLOOR: 38-0-2**

**YES:** Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

**ABS, ABST OR NV:** Limón, Reyes

### **ASM TRANSPORTATION: 16-0-0**

**YES:** Wilson, Davies, Ahrens, Bennett, Caloza, Carrillo, Hart, Hoover, Jackson, Lackey, Lowenthal, Macedo, Papan, Ransom, Rogers, Ward

### **ASM APPROPRIATIONS: 15-0-0**

**YES:** Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache, Ta, Tangipa

## **UPDATED**

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CONSULTANT: Julia Kingsley / TRANS. / (916) 319-2093

FN: 0001314