



AB 2438 – Transportation funding: alignment with state plans and greenhouse gas emissions reduction standards

Summary:

AB 2438 requires certain state transportation funding programs to align with state climate plans and goals and requires the California Transportation Plan to include a realistic budget.

Background:

As the largest contributor to California's GHG emissions, reducing emissions through all aspects of the transportation sector is urgently needed to address the climate crisis. Even under the most aggressive scenarios for zero-emission vehicle adoption and a transition to cleaner fuels, California cannot meet its climate goals relying solely on a shift in transportation technologies. This means we must work to reduce our dependence on driving and reduce overall vehicle miles traveled to meet our climate goals. Reducing our dependence on driving is also key for our state's equity, health, and safety goals - not just climate.

AB 285 (Friedman), Chapter 605, Statutes of 2019) required the California Strategic Growth Council (SGC) to review the state's transportation plans and programs at the state and metropolitan level, and conduct an assessment of how the implementation of the California Transportation Plan (CTP) and regional plans "will influence the configuration of the statewide integrated multimodal transportation system." The California Transportation Plan Assessment (AB 285 report) includes a set of policy findings, including:

- The programs referenced in AB 285 represent ~2% of the state transportation spending.
- There is a gap between the climate friendly state vision for transportation and the reality that investments at the state and regional levels continue to emphasize automobility.

- Many state and local funding programs do not explicitly address key CTP goals, such as combatting climate change and improving equity.
- Most Metropolitan Planning Organizations continue to devote the bulk of their total spending towards auto investments, both capacity expansion and road operations and/or maintenance.
- At all levels of government, spending in transportation tends to be additive without revisiting past commitments to projects or programs.
- Existing funding programs have flexibility to adjust spending to meet current policy priorities.

California's 2021-22 budget provides a total of \$31.7 billion for transportation-related programs' the Governor proposed an additional \$4.9 billion for a package of proposals to support various transportation infrastructure projects. California is estimated to receive \$40 billion from formula-based transportation programs over five years under the Federal Infrastructure and Investment Jobs Act. AB 2438 focuses on three recommendations included in the AB 285 Report, in order to align California's largest investments with the state's climate and land use goals.

AB 2438 (as amended on March 21, 2022):

1. Requires the following transportation programs' goals and guidelines:
 - State Highway Operation and Protection Program (SHOPP)
 - State Transportation Improvement Program (STIP)
 - Solutions for Congested Corridor Program (SCCP)
 - Trade Corridor Enhancement Program (TCEP)
 - Local Partnership Program (LPP)
 - Local Streets and Roads Program (LSR)

Align with the CTP, the Climate Action Plan for Transportation Infrastructure (CAPTI), California Global Warming Solutions Act of 2006, and SB 375 (Steinberg) Chapter 728, Statutes of 2008.

2. Requires the California State Transportation Agency (CalSTA) the Department of Transportation (Caltrans), the California Transportation Commission (CTC), in consultation with the State Air Resources Board (ARB), and the Strategic Growth Council (SGC), to jointly prepare and submit a report to the Legislature on or before January 1, 2025 evaluating transportation program funding levels, projects, and eligibility criteria with the objective of aligning the largest funding programs with the CTP, CAPTI, and greenhouse gas emissions reduction standards set forth in the California Global Warming Solutions Act of 2006 and SB 375 (Steinberg), and away from projects that increase vehicle capacity.
3. Requires the CTP to include a financial element that summarizes its cost of implementation constrained by a realistic projection of available revenues, as well as recommendations for allocation of funds.

Support:

Acterra
Active San Gabriel Valley
American Lung Association in California
Campaign for Sustainable Transportation - Santa Cruz
Center for Community Action & Environmental Justice

Civicwell (formally the Local Government Commission)
Climateplan
Coalition for Clean Air
Move La, a Project of Community Partners
Natural Resources Defense Council (NRDC)
Nextgen California
Safe Routes to School National Partnership
Sierra Club
Transform

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