

Date of Hearing: April 18, 2016

ASSEMBLY COMMITTEE ON TRANSPORTATION
Jim Frazier, Chair
AB 2332 (Eduardo Garcia) – As Amended April 5, 2016

SUBJECT: Transportation funding: complete streets

SUMMARY: Increases transportation investments in disadvantaged communities. Specifically, **this bill:**

- 1) Makes findings and declarations that low-income and disadvantaged communities have faced historic patterns of inequity and disinvestment from the state highway system, including in areas of air quality, safety, and accessibility.
- 2) States the intent of the Legislature to put a greater focus on sustainability and awareness for all users of the system by directing resources to the state's most affected and disadvantaged communities to provide economic and health benefits to these communities.
- 3) Requires the California Department of Transportation (Caltrans) to set goals and implement several targets derived from performance measures included in its "Strategic Management Plan 2015-20." Specifically, the department would be required to:
 - a) Increase the annual number of complete street projects it undertakes by 20% over the 2016 baseline by 2020;
 - b) Set a goal to reduce the number of transit, pedestrian, and bicyclist fatalities by 10% over the 2016 baseline by 2020;
 - c) Set a goal to reduce by 15% the statewide per capita vehicle miles traveled relative to 2010 levels reported by each Caltrans district by 2020; and,
 - d) Set a goal to increase travel by non-automobile modes by tripling the amount of bicycle travel, doubling the amount of pedestrian travel, and doubling the amount of transit travel relative to the levels measured in the "2010-12 California Household Travel Survey."
- 4) Defines "complete street" as a transportation facility that is planned, designed, operated, and maintained to provide safe mobility for all users, including bicyclists, pedestrians, transit vehicles, truckers, and motorists appropriate to the context of the facility.
- 5) Requires the department to increase accessibility for low-income and disadvantaged communities by increasing multi-modal transportation proximity to employment, jobs, housing, and recreation areas.
- 6) Adds projects to implement or improve complete streets to the list of projects that must be included in the department's Interregional Transportation Improvement Program (ITIP).
- 7) Requires the California Transportation Commission (CTC) to adopt targets and performance measures for the department's State Highway Operations and Protection Program (SHOPP) Asset Management Plan, no later than July 2017, including the following areas:

- a) Improving mobility, access, and safety for non-motorized users in disadvantaged communities by requiring that 35% of SHOPP projects be located in urban and rural disadvantaged communities;
 - b) Providing “targeted and meaningful benefits” to residents in those communities. Defines "meaningful benefits" as walkways, bikeways, and crossing facilities that connect to community-identified areas such as transit stops, employment centers, schools, medical facilities, grocery stores, and other community services and pedestrian or bicycle traffic control devices to improve safety for non-motorized users;
 - c) Prioritizing SHOPP projects identified by the community through strong public participation in disadvantaged communities; and,
 - d) Prioritizing SHOPP projects that recruit, hire, and/or train low-income, formerly incarcerated, under-represented, or disconnected youth and adults and other individuals with barriers to employment, as defined in the federal California Workforce Innovation and Opportunity Act of 2014.
- 8) Redefines the Asset Management Plan to mean, in addition to a plan that assess the health and condition of the state highway system with which the department is able to determine the most effective way to apply limited resources, a plan that advances meaningful benefits in disadvantaged communities.
- 9) Defines “disadvantaged community” for the SHOPP Asset Management Plan as:
- a) An area with a median household income less than 80% of the statewide median household income based in the most current census-tract level data from the "America Community Survey;"
 - b) An area identified by CalEnviro Screen; or,
 - c) An area where at least 75% of public school students are eligible for free or reduced priced meals under the National School Lunch Program.
- 10) Defines "meaningful benefits" for the SHOPP Asset Management Plan as transportation projects that address any of the following:
- a) Health harms suffered disproportionately by low-income and disadvantaged communities due to co-pollutants, including poor air quality and a lack of public health benefits;
 - b) Increasing job readiness and career opportunities with workforce development programs, local hiring, or on-the-job training;
 - c) Increasing travel for non-motorized users by improving active transportation infrastructure, such as bicycle paths, sidewalks, and other non-motorized means of travel; and,
 - d) Investing in transportation that will meet an unmet need that has been identified as a high priority by disadvantaged community residents and groups.

- 11) Requires the department to hold at least one hearing in each Caltrans district on SHOPP projects and requires the hearing to be held at a location accessible by public transit, at times that are convenient for disadvantaged community residents, and provide translation services upon request.
- 12) Specifies that funds from the State Transportation Fund shall be programmed with priority for safety improvements for pedestrians, rather than safety in general.

EXISTING LAW:

- 1) Provides that Caltrans has full possession and control over the highways of the state.
- 2) Creates the CTC with specified powers and duties relative to the programming of transportation capital improvement projects and the allocations of transportation revenues.
- 3) Requires Caltrans to develop and submit a draft 5-year ITIP to the CTC, and requires that it be consistent with the Interregional Transportation Strategic Plan.
- 4) Requires Caltrans, in consultation with the CTC, to prepare an Asset Management Plan, consistent with state and federal law, in phases by 2020 to be implemented with the SHOPP.
- 5) Defines the Asset Management Plan as a document assessing the health and condition of the state highway system to determine the most effective way to apply the state's limited resources.
- 6) Requires the CTC to adopt targets and performance measures reflecting the state's goals and objectives and to review the Asset Management Plan as it is developed.
- 7) Requires Caltrans to develop the SHOPP based on the Asset Management Plan, to guide expenditures of federal and state funds for major capital improvements to preserve and maintain the state highway system.
- 8) Requires funds from the State Highway Account to be expended and prioritized based on:
 - a) Operation, maintenance, and rehabilitation of the highway system;
 - b) Safety improvements to reduce fatalities and injuries;
 - c) Transportation capital improvements that expand capacity or reduce congestion; and,
 - d) Environmental enhancement and mitigation.
- 9) Enacts the California Workforce Innovation and Opportunity Act to provide for various job training and education programs.
- 10) Enacts the Global Warming Solutions Act of 2006 [AB 32 (Núñez), Chapter 488, Statutes of 2006] that requires the California Air Resources Board (ARB) to adopt a statewide greenhouse gas (GHG) emissions limit equivalent to the statewide GHG emissions levels in 1990 to be achieved by 2020.

11) Enacts SB 375 (Steinberg), Chapter 728, Statutes of 2008, that requires the ARB to provide each region of the state with GHG emission reduction targets for the automobile and light truck sector and requires a regional transportation plan to include a sustainable communities strategies (SCS) to achieve the targets for GHG emission reduction.

FISCAL EFFECT: Unknown

COMMENTS: The author introduced AB 2332 to remedy what he contends are longstanding patterns of disinvestment and neglect that have frequently left rural and urban low-income communities and communities of color without the most basic elements of a safe and healthy environment. He observes that these communities lack safe infrastructure for walking and bicycling and are often bisected by freeways and high-speed arterials. Further, he suggests that they tend to be the first communities to see cuts in transit service during tough economic times and are left with crumbling, unsafe road infrastructure.

One of the sponsors of the bill, the California Pan-Ethnic Health Network, writes that AB 2332 charts a path for Caltrans to establish an accessible process for residents that have been most burdened by highway investments to provide input into future project development and begin to benefit from future investments. They continue that Caltrans has an opportunity to be a national leader and repair poor planning decisions of the past with transportation investments that provide meaningful benefits in the form of mobility, safety, health, and access to opportunity to disadvantaged communities.

Committee comments: AB 2332 tackles head-on a number of existing paradigms in the state's traditional approach to transportation:

1) *Funding:* AB 2332 sets forth an ambitious funding plan for community-based, non-traditional transportation facilities and programs aimed at improving the quality of life and opportunities in disadvantaged communities. AB 2332 draws heavily from the SHOPP to fund programs and projects prescribed in the bill.

Unfortunately, AB 2332 comes at a time when the state's transportation funding is arguably at an all-time low and sinking fast. The SHOPP is currently funded at about \$2.3 billion annually, far short of the \$8 billion identified by the department as needed to stave off rapid degradation of existing infrastructure. In fact, severe underfunding of the SHOPP is the basis for the Governor having called a Special Session of the Legislature last year to address the \$59 billion backlog of maintenance needs on the state highway system.

The state is not alone in its mounting unfunded transportation needs. Local governments are similarly facing a nearly \$80 billion shortfall in funding for local streets and roads. And, if that were not dismal enough, the CTC recently announced a need to unallocate \$754 million in planned projects due to reductions in the gasoline excise tax revenue.

Now is not the time to impose hefty new responsibilities to the SHOP.

2) *Bottom-up versus top-down:* The great build-out of the nation's vast interstate system resulted in what was arguably the best, most advanced transportation network in the world at the time. The interstate system connected virtually all of the nation's population centers and resulted in a then-unparalleled network of defense and trade corridors.

These advances came at the ominous expense, however, of our cities and communities, ripped apart by swaths of concrete. Freeways brought traffic congestion, air pollution, and blight to urban centers and drove the flight away from urban living to sprawling suburbia. Then, state- and federal-centric policies trumped community concerns and communities were left with little or no control over their own destiny. Finally, cities and regions revolted and in 1991, the passage of the federal Intermodal Surface Transportation Efficiency Act (ISTEA) signaled the end of this approach and the beginning of a ground-up approach to transportation planning. This devolution continued at the state level with passage of SB 45 (Kopp), Chapter 622, Statutes of 2007, that bequeathed from the state to regions the primary responsibilities for transportation planning and programming.

Now, the state's comprehensive transportation planning processes are very much driven by local and regional governments and are done in a transparent manner with vast public outreach and participation in all phases of development and decision-making. Additionally, with the passage of SB 375, the regions have additional responsibilities to help the state meet its climate change goals by developing an SCS to guide investments that will reduce GHG emissions by certain target amounts set by the ARB. The regions, with input from their local governments and the public, are empowered to establish priorities and make decisions on specific strategies and projects to achieve the goal. While these plans are developed within general parameters sets forth at the state level, they are built around the premise that land use decisions should be made at the local level, where community needs are best understood and where citizens have the best opportunity to influence the character of their communities.

Unfortunately, AB 2332 takes us back to a state-centric approach of defining our communities. This bill vests Caltrans with weighty responsibilities to improve transportation in disadvantaged communities—responsibilities that far exceed the department's traditional purview. For example, AB 2332 requires Caltrans to set goals and objectives to provide "meaningful benefits" to residents in disadvantaged communities, such as projects to connect community amenities like transit stops, employment centers, and grocery stores. Although this bill requires Caltrans to seek community input, Caltrans, not the communities or even the regions, will make the project decisions that will continue to define community characteristics. There is nothing in our history of transportation that suggests this will be good for communities.

- 3) *Motorists versus non-motorists:* As advocates for AB 2332 accurately point out, the state's transportation efforts for too long have focused almost entirely on the automobile. Little thought, attention, or money has historically been directed to the needs of pedestrians, bicyclists, or to enhancements that could help roadways blend within the fabric of unique communities. Vehicle through-put was the mantra and the goal of traffic engineering to ensure transportation facilities in no way impeded motorists' flow. We now know just how detrimental this auto-centric approach is to communities.

AB 2332 appropriately strives to reset the state's transportation priorities but it swings the pendulum too far. While automobile travel should not be the sole consideration of our transportation planning and investments, we should not lose sight of the fact that motor vehicles bring us our goods and services, take us to the grocery store, and, in many communities, allow us to pursue homes that would be prohibitively expensive were they closer to our jobs. Evolving trends in urban development and revitalization, better housing stock options, expanded transit capacity, and a focus on locally-sourced goods and services

will, hopefully, help us relax our grip on automobile usage, but it will not and should not preclude the use and benefits of automobiles and our transportation planning and investments should reflect this.

The vision set forth in AB 2332—that is, walkable, livable, healthy communities for all—is universally championed. Unfortunately, how AB 2332 would have us get there is fundamentally flawed. Furthermore, AB 2332 raises a number of specific concerns that are worth noting, particularly the disruptive impact it would have on statewide programs that serve the entire spectrum of transportation needs, not just those limited to bicycles and pedestrians, for example:

- a) AB 2332 would fundamentally change the state's highest priority for the use of transportation dollars from "safety" to "safety for pedestrians." It is unfathomable that safety of motorists or bicyclists would no longer be a priority.
- b) This bill would add complete streets to the requirements for the ITIP. The purpose of ITIP is to fund projects that improve interregional mobility for people and goods across the state on highway and rail corridors of strategic importance. As such, the funds in the program do not typically go to projects within individual cities, as they are meant to connect different cities. As these projects are funded, they are supposed to be designed to reflect the department's complete streets policies, for example, by including biking and pedestrian facilities.

AB 2332 seeks to direct more of the ITIP funds to active transportation-like projects specifically. Given that the ITIP is typically *interregional* projects and few biking and walking facilities are designed to be interregional, it does not seem appropriate to direct interregional funds specifically to active transportation-like projects, except to the extent these facilities are incorporated into interregional projects, as they should be under the department's complete street policy.

Furthermore, consider the current funding situation. Funding for the ITIP averages \$160 million a year, although this figure is dropping. The Active Transportation Program (ATP) averages about \$120 million a year. The ITIP is virtually the only source of state funding for interregional highway and rail corridor projects throughout the state. The ATP funds bikeways, walkways, and safe routes to school. Redirecting ITIP funds to ATP-like projects will essentially result in bikeways and walkways being funded at an equal or even higher level than all of the state's interregional highway projects. Obviously, this would not offend everybody but it does not reflect sound, balanced transportation priorities for the state.

- c) Currently, Caltrans and the CTC are working to implement a new Asset Management Plan as required by SB 486 (Beall), Chapter 917, Statutes of 2014, to guide the selection of projects for the SHOPP. Specifically, the Asset Management Plan will inform decisions in the SHOPP for capital improvements relative to maintenance, safety, and rehabilitation of state highways and bridges. Additionally, the Asset Management Plan is guided by the pending implementation of performance measures required by the federal Moving Ahead for Progress in the 21st Century Act (MAP 21). MAP 21 required the development of national performance measures in numerous areas including: safety, pavement and bridge conditions, freight, and planning.

Prioritizing the funding for the SHOPP by location rather than asset needs and utilizing SHOPP funds for other purposes could have a number of unintended consequences. Specifically, it could jeopardize federal funds if the new performance measures and targets are not met. Additionally, it will further exacerbate the challenges the state is facing in preserving and maximizing the existing capacity of our streets and highways.

One of the state's transportation priorities should be the movement of goods through its trade corridors—a fundamental role of the state highway system. Goods movement projects are identified and prioritized through the California State Freight Plan. The SHOPP is one of few fund sources to provide critical repairs to the state highway system and some of these areas will not be a priority under the proposed location-based objectives but are, nevertheless, vital to maintaining connectivity.

- d) AB 2332 also requires the department to prioritize projects in the SHOPP that are identified by the community through “strong public participation in disadvantaged communities,” and to conduct at least one hearing in each of the Caltrans districts on the SHOPP at times and locations that are convenient for disadvantaged communities. The concept of public hearings in each district to review SHOPP projects is a good one and consistent with the current process regions undertake to develop a regional transportation plan. However, focusing these meetings around only disadvantaged communities and requiring statewide project funding decisions to be made by only specific communities undermines the benefit of input from all of the public and will leave many Californians’ out of the process.

Further, AB 2332 prioritizes projects in the SHOPP by specific hiring programs and preference. It is unclear how this would be implemented or whether it would conflict with existing department labor and contracting policies, or state civil service rules. Additionally, it is difficult to understand how the department could prioritize projects in the SHOPP with the required labor provisions prior to an allocation of funds so that a contract could be developed to move forward on the project.

Related bills: ABX1 23 (Garcia) requires the CTC to establish a process to prioritize projects that provide meaningful benefits to the mobility and safety needs of disadvantaged community residents in the STIP and the SHOPP. Also appropriates \$125 million from the state highway account to the Active Transportation Program. ABX1 23 is pending in the First Extraordinary Session.

Previous legislation: SB 486 (Beall), Chapter 917, Statutes of 2014, required Caltrans, in consultation with the CTC to develop an Asset Management Plan to guide the selection of projects for the SHOPP.

REGISTERED SUPPORT / OPPOSITION:

Support

California Pan-Ethnic Health Network (Sponsor)
 Leadership Counsel for Justice and Accountability (Sponsor)
 PolicyLink (Sponsor)
 Advancement Project

Alliance for a Healthy Orange County
Amigos de los Rios
California Bicycle Coalition
Climate Resolve
Having Our Say Coalition
PEDal, Advocacy for Pedestrians and People Who Pedal
Walk San Francisco

Opposition

Orange County Transportation Authority
Rural County Representatives of California (oppose unless amended)

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